the Freeman

Ideas on Liberty

FEBRUARY 1969

1884
1984

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

BOUND VOLUMES OF

the Freeman for 1968

Attractively sewn in a single volume with hard cover, the 12 issues from January through December, fully indexed — 768 pages, for handy reference to the latest literature on freedom.

only $5.00

Bound volumes of THE FREEMAN for 1965, 1966, and 1967 are also available at $5.00 each. Four volumes, ordered together, $18.00.

These bound volumes of **The Freeman** match in appearance and otherwise continue the 12-volume series of **Essays on Liberty** containing selec-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the Freeman

VOL. 19, NO. 2 • FEBRUARY 1969

From Spencer's 1884 to Orwell's 1984 — **Henry Hazlitt** — 67
In **The Man Versus the State**, Herbert Spencer warned prophetically of "the coming slavery" of oppressive taxation and government control.

Our Saving Grace — **Paul L. Poirot** — 76
Despite powerful pressures to "live it up," we owe our lives to the long-standing habit of saving for a rainy day.

The Rise and Fall of England:
12. The Fabian Program — **Clarence B. Carson** — 81
Describing the steps from municipal to national control of industry and trade.

The Squeeze on the Middle Class — **William Henry Chamberlin** — 91
The welfare state grows at the expense of those who gave strength to the ideas and institutions of political and economic freedom.

Consider Your Stand — **Gottfried Dietze** — 98
A reminder to academicians that the promotion of learning involves responsibilities as well as rights.

Education in America:
5. Discipline or Disaster? — **George Charles Roche III** — 101
When parents delegate to teachers, and teachers to pupils, the responsibility for educational content, the result must be undisciplined disaster.

Pricing Ourselves Out of World Markets? — **M. E. Cravens** — 109
Protectionism weakens a nation's capacity to cope with foreign competition.

Technological Status — **John W. Campbell** — 113
Concerning the fiction that backward countries can jump to a high level of industrial achievement without experiencing the horse-collar revolution.

Book Reviews — 123
"An American Dictionary of the English Language" by Noah Webster (Facsimile of the original 1828 edition)
"The Birth of the Nation" by Arthur M. Schlesinger
"The America We Lost" by Mario Pei

Anyone wishing to communicate with authors may send first-class mail in care of THE FREEMAN for forwarding.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the Freeman

A MONTHLY JOURNAL OF IDEAS ON LIBERTY

IRVINGTON-ON-HUDSON, N. Y. 10533 TEL.: (914) 591-7230

LEONARD E. READ *President,* Foundation for Economic Education

PAUL L. POIROT *Managing Editor*

THE FREEMAN is published monthly by the Foundation for Economic Education, Inc., a nonpolitical, nonprofit, educational champion of private property, the free market, the profit and loss system, and limited government.

Any interested person may receive its publications for the asking. The costs of Foundation projects and services, including THE FREEMAN, are met through voluntary donations. Total expenses average $12.00 a year per person on the mailing list. Donations are invited in any amount—$5.00 to $10,000—as the means of maintaining and extending the Foundation's work.

Copyright, 1969, The Foundation for Economic Education, Inc. Printed in U.S.A. Additional copies, postpaid, to one address: Single copy, 50 cents; 3 for $1.00; 10 for $2.50; 25 or more, 20 cents each.

Any current article will be supplied in reprint form upon sufficient demand to cover printing costs. Permission is hereby granted to reprint any article from this issue, providing customary credit is given, except "From Spencer's 1884 to Orwell's 1984," "The Rise and Fall of England," and "Technological Status."

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

HENRY HAZLITT

FROM SPENCER'S 1884 TO ORWELL'S 1984

IN 1884, Herbert Spencer wrote what quickly became a celebrated book, *The Man Versus the State*. The book is seldom referred to now, and gathers dust on library shelves – if, in fact, it is still stocked by many libraries. Spencer's political views are regarded by most present-day writers, who bother to mention him at all, as "extreme *laissez faire*," and hence "discredited."

But any open-minded person who takes the trouble today to read or reread *The Man Versus the State* will probably be startled by two things. The first is the uncanny clairvoyance with which Spencer foresaw what the future encroachments of the State were likely to be on individual liberty, above all in the economic realm. The second is the extent to which these encroachments had already occurred in 1884, the year in which he was writing.

The present generation has been brought up to believe that government concern for "social justice" and for the plight of the needy was something that did not even exist until the New Deal came along in 1933. The ages prior to that have been pictured as periods when no one "cared," when *laissez faire* was rampant, when everybody who did not succeed in the cutthroat competition that was euphemistically called free enterprise – but was simply a system of dog-eat-dog and the-devil-take-the-hindmost – was allowed to starve. And if the present generation thinks this is true

Mr. Hazlitt is the well-known economic and financial analyst, columnist, lecturer, and author of numerous books.

This article will appear as a chapter in a forthcoming book, *Man vs. the Welfare State*, to be published by Arlington House.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

even of the 1920's, it is absolutely sure that it was so in the 1880's, which it would probably regard as the very peak of the prevalence of *laissez faire*.

The Seeds of Change

Yet the new reader's initial astonishment when he starts Spencer's book may begin to wear off before he is halfway through, because one cause for surprise explains the other. All that Spencer was doing was to project or extrapolate the legislative tendencies existing in the 1880's into the future. It was because he was so clear-sightedly appalled by these tendencies that he recognized them so much more sharply than his contemporaries, and saw so much more clearly where they would lead if left unchecked.

Even in his Preface to *The Man Versus the State* he pointed out how "increase in freedom on form" was being followed by "decrease of freedom in fact. . . ."

> Regulations have been made in yearly growing numbers, restraining the citizen in directions where his actions were previously unchecked, and compelling actions which previously he might perform or not as he liked; and at the same time heavier public burdens . . . have further restricted his freedom, by lessening that portion of his earnings which he can spend as he pleases, and augmenting the portion taken from him to be spent as public agents please.

In his first chapter, "The New Toryism," Spencer contends that "most of those who now pass as Liberals, are Tories of a new type." The Liberals of his own day, he points out, had already "lost sight of the truth that in past times Liberalism habitually stood for individual freedom versus State-coercion."

So the complete Anglo-American switch of reference, by which a "liberal" today has come to mean primarily a State-interventionist, had already begun in 1884. Already "plausible proposals" were being made "that there should be organized a system of compulsory insurance, by which men during their early lives shall be forced to provide for the time when they will be incapacitated." Here is already the seed of the American Social Security Act of 1935.

Spencer also pays his respects to the antilibertarian implications of an increasing tax burden. Those who impose additional taxes are saying in effect: "Hitherto you have been free to spend this portion of your earnings in any way which pleased you; hereafter you shall not be free to spend it, but we will spend it for the general benefit."

Spencer next turns to the compulsions that labor unions were

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

even then imposing on their members, and asks: "If men use their liberty in such a way as to surrender their liberty, are they thereafter any the less slaves?"

In his second chapter, "The Coming Slavery," Spencer draws attention to the existence of what he calls "political momentum" – the tendency of State interventions and similar political measures to increase and accelerate in the direction in which they have already been set going. Americans have become only too familiar with this momentum in the last few years.

Spencer illustrates: "The blank form of an inquiry daily made is – 'We have already done this; why should we not do that?'" "The buying and working of telegraphs by the State" [which already existed in England when he wrote], he continued, "is made a reason for urging that the State should buy and work the railways." And he went on to quote the demands of one group that the State should take possession of the railways, "with or without compensation."

The British State did not buy and work the railways until 64 years later, in 1948, but it did get around to it, precisely as Spencer feared.

It is not only precedent that prompts the constant spread of interventionist measures, Spencer points out, "but also the necessity which arises for supplementing ineffective measures, and for dealing with the artificial evils continually caused. Failure does not destroy faith in the agencies employed, but merely suggests more stringent use of such agencies or wider ramifications of them." One illustration he gives is how "the evils produced by compulsory charity are now proposed to be met by compulsory insurance." Today, in America, one could point to scores of examples (from measures to cure "the deficit in the balance of payments" to the constant multiplication of measures to fight the government's "war on poverty") of interventions mainly designed to remove the artificial evils brought about by previous interventions.

One Turn Deserves Another

Everywhere, Spencer goes on, the tacit assumption is that "government should step in whenever anything is not going right. . . . The more numerous governmental interventions become . . . the more loud and perpetual the demands for intervention." Every additional relief measure raises hopes of further ones:

> The more numerous public instrumentalities become, the more is there generated in citizens the notion that everything is to be done for them,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and nothing by them. Every generation is made less familiar with the attainment of desired ends by individual actions or private agencies; until, eventually, governmental agencies come to be thought of as the only available agencies.

Forms of Slavery

"All socialism," Spencer concludes, "involves slavery. . . . That which fundamentally distinguishes the slave is that he labors under coercion to satisfy another's desires." The relation admits of many gradations. Oppressive taxation is a form of slavery of the individual to the community as a whole. "The essential question is – How much is he compelled to labor for other benefit than his own, and how much can he labor for his own benefit?"

Even Spencer would probably have regarded with incredulity a prediction that in less than two generations England would have rates of income tax rising above 90 per cent, and that many an energetic and ambitious man, in England and the United States, would be forced to spend more than half his time and labor working for the support of the community, and allowed less than half his time and labor to provide for his family and himself.

Today's progressive income tax provides a quantitative measurement of the relative extent of a man's economic liberty and servitude.

Those who think that public housing is an entirely new development will be startled to hear that the beginnings of it – as well as some of its harmful consequences – were already present in 1884:

> Where municipal bodies turn house-builders [wrote Spencer], they inevitably lower the values of houses otherwise built, and check the supply of more. . . . The multiplication of houses, and especially small houses, being increasingly checked, there must come an increasing demand upon the local authority to make up for the deficient supply. . . . And then when in towns this process has gone so far as to make the local authority the chief owner of houses, there will be a good precedent for publicly providing houses for the rural population, as proposed in the Radical program, and as urged by the Democratic Federation [which insists on] the compulsory construction of healthy artisans' and agricultural laborers' dwellings in proportion to the population.

One State intervention Spencer did not foresee was the future imposition of rent controls, which make it unprofitable for private persons to own, repair, or renovate old rental housing or to put up new. The consequences of rent control provoke the indignant

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

charge that "private enterprise is simply not doing the job" of providing enough housing. The conclusion is that therefore the government must step in and take over that job.

What Spencer did expressly fear, in another field, was that public education, providing gratis what private schools had to charge for, would in time destroy the private schools. What, of course, he did not foresee was that eventually the government would provide free tuition even in tax-supported *colleges* and universities, thus more and more threatening the continuance of private colleges and universities – and so tending more and more to produce a uniform conformist education, with college faculties ultimately dependent for their jobs on the government, and so developing an economic interest in professing and teaching a statist, pro-government and socialist ideology. The tendency of government-supported education must be finally to achieve a government monopoly of education.

Ancient Roots of Tyranny

As the "liberal" readers of 1969 may be shocked to learn that the recent State interventions which they regard as the latest expressions of advanced and compassionate thought were anticipated in 1884, so the statist readers of Spencer's day must have been shocked to learn from him how many of the latest State interventions of 1884 were anticipated in Roman times and in the Middle Ages. For Spencer reminded them, quoting an historian, that in Gaul, during the decline of the Roman Empire, "so numerous were the receivers in comparison with the payers, and so enormous the weight of taxation, that the laborer broke down, the plains became deserts, and woods grew where the plough had been."

Spencer reminded his readers also of the usury laws under Louis XV in France, which raised the rate of interest "from five to six when intending to reduce it to four." He reminded them of the laws against "forestalling" (buying up goods in advance for later resale), also in early France. The effect of such laws was to prevent anyone from buying "more than two bushels of wheat at market," which prevented traders and dealers from equalizing supplies over time, thereby intensifying scarcities. He reminded his readers also of the measure which, in 1315, to diminish the pressure of famine, prescribed the prices of foods, but which was later repealed after it had caused the entire disappearance of various foods from the markets. He re-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

minded them, again, of the many endeavors to fix wages, beginning with the Statute of Laborers under Edward III (1327-77). And still again, of statute 35 of Edward III, which aimed to keep down the price of herrings (but was soon repealed because it raised the price). And yet again, of the law of Edward III, under which innkeepers at seaports were sworn to search their guests "to prevent the exportation of money or plate."

This last example will uneasily remind Americans of the present prohibition of private gold holdings and gold export, and of the Johnson Administration's attempt to put a punitive tax on foreign travel, as well as the actual punitive tax that it did put on foreign investment. Let us add the still existing prohibitions even by allegedly advanced European nations against taking more than a tiny amount of their local *paper* currency out of the country!

The Federal Bulldozer Then

I come to one last specific parallel between 1884 and the present. This concerns slum clearance and urban renewal. The British government of Spencer's day responded to the existence of wretched and overcrowded housing by enacting the Artisans' Dwellings Acts. These gave to local authorities powers to pull down bad houses and provide for the building of good ones:

> What have been the results? A summary of the operations of the Metropolitan Board of Works, dated December 21, 1883, shows that up to last September it had, at a cost of a million and a quarter to ratepayers, unhoused 21,000 persons and provided houses for 12,000 — the remaining 9,000 to be hereafter provided for, being, meanwhile, left houseless. This is not all. . . . Those displaced . . . form a total of nearly 11,000 artificially made homeless, who have had to find corners for themselves in miserable places that were already overflowing.

Those who are interested in a thorough study of the present-day parallel to this are referred to Professor Martin Anderson's *The Federal Bulldozer* (M. I. T. Press, 1964; McGraw-Hill paperback, 1967). I quote just one short paragraph from his findings:

> The federal urban renewal program has actually aggravated the housing shortage for low-income groups. From 1950 to 1960, 126,000 dwelling units, most of them low-rent ones, were destroyed. This study estimates that the number of new dwelling units constructed is less than one fourth of the number demolished, and that most of the new units are high-rent ones. Contrast the net addition of millions of standard dwelling units to the housing supply

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

by private enterprise with the minute construction effort of the federal urban renewal program." (p. 229)

There is an eloquent paragraph in Spencer's book reminding his readers of the eighties of what they did *not* owe to the State:

It is not to the State that we owe the multitudinous useful inventions from the spade to the telephone; it is not the State which made possible extended navigation by a developed astronomy; it was not the State which made the discoveries in physics, chemistry, and the rest, which guide modern manufacturers; it was not the State which devised the machinery for producing fabrics of every kind, for transferring men and things from place to place, and for ministering in a thousand ways to our comforts. The world-wide transactions conducted in merchants' offices, the rush of traffic filling our streets, the retail distributing system which brings everything within easy reach and delivers the necessaries of life daily at our doors, are not of governmental origin. All these are results of the spontaneous activities of citizens, separate or grouped.

Aggravated Waste

Our present-day statists are busily trying to change all this. They are seizing billions of additional dollars from the taxpayers to turn them over for "scientific research." By this compulsorily subsidized government competition they are discouraging and draining away the funds for private scientific research; and they threaten to make such research, in time, a government monopoly. But whether this will result in more scientific progress in the long run is doubtful. True, enormously more money is being spent on "research," but it is being diverted in questionable directions – in military research; in developing greater and greater superbombs and other weapons of mass destruction and mass annihilation; in planning supersonic passenger airplanes developed on the assumption that civilians must get to their European or Caribbean vacation spots at 1,200 or 1,800 miles an hour, instead of a mere 600, no matter how many eardrums or windows of groundlings are shattered in the process; and finally, in such Buck Rogers stunts as landing men on the moon or on Mars.

It is fairly obvious that all this will involve enormous waste; that government bureaucrats will be able to dictate who gets the research funds and who doesn't, and that this choice will either depend upon fixed arbitrary qualifications like those determined by Civil Service examinations (hardly the way to find the most original minds), or upon the grantees keeping in the good graces of the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

particular government appointee in charge of the distribution of grants.

But our Welfare Statists seem determined to put us in a position where we will be dependent on government even for our future scientific and industrial progress – or in a position where they can at least plausibly argue that we are so dependent.

A Denial of Private Property

Spencer next goes on to show that the kind of State intervention he is deploring amounts to not merely an abridgment but a basic rejection of private property: A "confusion of ideas, caused by looking at one face only of the transaction, may be traced throughout all the legislation which forcibly takes the property of this man for the purpose of giving gratis benefits to that man." The tacit assumption underlying all these acts of redistribution is that:

> No man has any claim to his property, not even to that which he has earned by the sweat of his brow, save by the permission of the community; and that the community may cancel the claim to any extent it thinks fit. No defense can be made for this appropriation of A's possessions for the benefit of B, save one which sets out with the postulate that society as a whole has an absolute right over the possessions of each member.

In the final chapter (just preceding a Postscript) Spencer concluded: "The function of Liberalism in the past was that of putting a limit to the powers of kings. The function of true Liberalism in the future will be that of putting a limit to the power of Parliaments."

In endorsing some of the arguments in Spencer's *The Man Versus the State,* and in recognizing the penetration of many of his insights and the remarkable accuracy of his predictions of the political future, we need not necessarily subscribe to every position that he took. The very title of Spencer's book was in one respect unfortunate. To speak of "the man versus the State" is to imply that the State, *as such,* is unnecessary and evil. The State, of course, is absolutely indispensable to the preservation of law and order, and the promotion of peace and social cooperation. What is unnecessary and evil, what abridges the liberty and threatens the true welfare of the individual, is the State that has usurped excessive powers and grown beyond its legitimate functions – the Superstate, the socialist State, the redistributive State, in brief, the ironically misnamed "Welfare State."

But Spencer was certainly right in the main thrust of his argument, which was essentially that

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of Adam Smith and other classical liberals, that the two indispensable functions of government are first, to protect the nation against aggression from any other nation, and second, to protect the individual citizen from the aggression, injustice, or oppression of any other citizen — and that every extension of the functions of government beyond these two primary duties should be scrutinized with jealous vigilance.

We are deeply indebted to Herbert Spencer for recognizing with a sharper eye than any of his contemporaries, and warning them against, "the coming slavery" toward which the State of their own time was drifting, and toward which we are more swiftly drifting today.

It is more than a grim coincidence that Spencer was warning of the coming slavery in 1884, and that George Orwell, in our time, has predicted that the full consummation of this slavery will be reached in 1984, exactly one century later. ◈

The 1940 hardcovered Caxton printing of Herbert Spencer's *The Man Versus the State,* with foreword by Albert Jay Nock, 223 pages, fully indexed, is available at $3.50.

Order from: The Foundation for Economic Education, Inc.
Irvington-on-Hudson, New York 10533

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Saving

PAUL L. POIROT

THE LATE Lord Keynes and his disciples have heavily bombarded modern man with the theory that he can carelessly consume his way to prosperity. Laws without end have been enacted to implement this false doctrine of consumerism and compulsive spending. Yet, despite that trend, there are those who continue to save and invest in the essential tools of production to which most of us owe our very lives. Call it our saving grace!

Even the most ardent advocates of equality acknowledge a certain respect for the aims and desires of the individual. The ultimate formula for compulsory collectivism would afford "to each according to need," implying that *each* somehow is important. It is difficult to think of any philosophy of man and society that would wholly and consciously deny the dignity of the individual as a human being with a purpose. The point of divergence among philosophers concerns how far into the future the individual should be free to project his purpose.

The attitude toward private property is really the point at issue here. Is the individual to be free to save and invest his own property for his own purposes, however complex and futuristic the eventual fulfillment of such purposes may be? And, especially, will his fellow men respect and defend these savings, this private property of the individual? In other words, will society's organized agency of force, its government, be dedicated to the protection of life and property; or will it function instead as an instrument for plunder?

Whether *plunder* is deemed too harsh a word to describe the governmental processes of the welfare state will depend primarily

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

upon one's understanding of the relationships between saving and investment and production and consumption. Is it right, for instance, to expropriate from the baker of bread the stove he has saved and needs for that purpose, but wrong, on the other hand, to take the bread from the mouth of a babe? Or is it just as wrong to interfere with the production of bread as to prohibit its consumption? The hungry babe may be quite unaware that the stove is an essential part of the bread he wants, that this and other tools involved in the roundabout processes of production in an industrial age are forms of saving to which the great majority of us owe our lives. Otherwise, many of us never would have been born and most of us never would have survived.

Lifelong Immaturity

Unfortunately, an understanding of the vital importance of savings and tools does not come automatically as one emerges from childhood. Many so-called adults are content to warm their bodies with the stoves they have seized from bakers – or let the government confiscate in their behalf. And if they want bread, they expect that the government also will provide it. They have not seen that government is neither a producer nor a saver; at best, it may be a protector, but even then the government itself is a consumer. In order for the government to give goods and services to anyone, it first must take those goods and services from someone. And in the process of compulsory redistribution, there is a heavy loss or attrition of resources. The government is always a consumer, withdrawing from the market scarce resources that individuals otherwise could consume or use in further production according to their own choice and best judgment.

Any grouping of two or more individuals will reveal differences in ability and in habits of spending and saving – very often, marked differences. Under conditions of comparative freedom, some few of the population will attain great wealth in contrast to the vast majority of their fellow men, simply because those few are exceptionally talented in their understanding of human wants and how to satisfy such wants.[1] The

[1] Some readers may object here that the free market rewards the designer of tail-fins or enriches the Beatles. Whether these fads stem from freedom or from interventions of one kind or another might be debated; but it seems reasonably clear that the market serves the most urgent wants of consumers, however peculiar some of us might think the tastes of others.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

scope of their understanding will include appreciation of the importance of tools in the productive process. They will best know how to accumulate and combine resources under prevailing conditions for the optimum service of human wants. They will know how to draw from each individual his best performance, with his hands, his mind, his savings.

A Power to Serve

Now, what makes these talented few so wealthy in a free society is not a power to confiscate or tax the resources or to force the compliance of others. On the contrary, they become wealthy through supplying most efficiently what others want. Consumers thus express their appreciation and satisfaction for work well done. And the most remarkable thing of all is that the consumers themselves, who enrich the most efficient suppliers, are better off economically than they could hope to be under any other arrangement. The profit earned by the most successful competitors costs consumers less than nothing.

Every shopper knows that secret when he looks around for the best bargain. But not every shopper knows this lesson well enough to remember it in the privacy of the polling booth. No housewife would think of proposing a tax on a can of beans before she buys it. She wants the best bargain she can find. But she may not realize that voting for an "excess profits tax" against the most efficient supplier of beans amounts to the same thing as paying more rather than less for beans. The very same consumers who volunteer their patronage to create millionaires will turn right around and ask the government to confiscate the property businessmen need for efficient production of goods and services. Voters thoughtlessly assume that redistributing property politically will have no harmful effect upon the processes of production. They think that they can thus give added spending power to poorer consumers, overlooking that in the process they drive from the market the very goods and services the poorest otherwise might have been able to afford.

Every enlargement of the "public sector" that authorizes the government to use scarce resources necessarily diminishes the private sector that allows man to produce and save and consume as he chooses. The military machine in Vietnam functions as a giant consumer. The multifaceted domestic welfare program in the United States, along with the foreign aid program, divert resources to consumption. The Space pro-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

gram is a consumer of goods and services. Whether government spending on education, airways, highways, seaways, subways, and numerous other subsidized operations constitutes a net investment for productive purposes is highly debatable, to say the least. In general, the small part of government spending that goes toward keeping the peace, insuring justice, protecting life and property, and maintaining the essential market climate for open competition and trade may be deemed productive; the great balance of government spending constitutes consumption of scarce resources.

The Impact of Taxes

To view the matter in another light, consider the nature and impact of the various taxes to cover government expenditures. Do they hamper or do they encourage production?

There seems little doubt that corporation income and excess-profit taxes – progressive, in the sense that the burden falls most heavily on the more efficient operators – must tend to hinder production. They take earnings that would most likely have been invested in further production by competitors who thus would have tended to bring costs and prices down.

The personal income tax, as thought of generally, is also progressive and thus tends to fall most heavily upon incomes that otherwise would most likely have been saved and invested productively. The exemptions tend to encourage consumption. The Social Security tax also is a personal income tax, though it is regressive in nature, falling hardest on those of least income and applying not at all in the higher income brackets. It tends to encourage many workers to quit productive employment and rely on tax-exempt relief payments instead.

Property taxes often fall heavily on business properties and thus raise costs of production. This has special impact in areas where much of the real estate is owned by churches, schools, and other tax-exempt organizations that generally fit the consumer definition, leaving a correspondingly greater burden on tax-paying producers.

Licenses and tariffs and similar privileges at the expense of potential competitors necessarily narrow the market or keep down competing suppliers, thus raising prices.

Finally, there is the tax-like phenomenon of inflation, the legalized printing of money to pay Federal bills, letting the government draw goods and services out of the market without supplying anything of value in exchange.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The process tends to hurt those on fixed incomes or pensions; it discourages traditional saving and encourages wasteful spending in attempts to hedge against further inflation. It may make for an appearance of busy-ness in commerce and industry, but often in lines of production that otherwise would be neither sound nor useful – a malinvestment of productive resources in boomtime, thus aggravating the problem of ultimate correction.

So, there is a two-pronged attack upon productive private enterprise as a result of the expansion of the "public sector": (1) the excessive government spending is heavily concentrated on consumer goods – on consumption rather than production; and (2) the methods of taxing and financing government expenditures, in contrast to voluntary spending in the market, tend to penalize and discourage thrift and productivity – to reward and encourage indolence and waste.

Trading for Mutual Gain

It is well to bear always in mind that voluntary trade occurs only if and when each party sees a gain to himself from the transaction. That both parties gain from free trade is the reason why either or both will tend to specialize and become skilled and efficient in a given line of production. This is the great advantage the market economy affords in contrast to socialism or other coercive arrangements. But that advantage can be wiped out by government intervention, taxation, and confiscation of private property. Taxes on earnings and on transactions easily can become so burdensome that men lose the incentive to specialize and trade; the do-it-yourself business is the only one that thrives under such conditions, and civilization reverts toward the low levels of self-subsistence.

The followers of Keynes are wrong when they assume that the problem of production has been solved, that the world is plagued by an abundance of goods and services of all kinds, and that consumer desire "is the final scarcity that needs to be overcome."[2] What they will not see is that human wants are now and forever insatiable and that the scarcity of productive resources is man's eternal problem. Meanwhile, if we are to survive and hope for economic progress, we must continue to curb our appetites for current consumption and continue to accumulate the tools and capital that are needed to expand production. This is indeed our saving grace. ◈

[2] See George Reisman, "Production versus Consumption," THE FREEMAN, October, 1964.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CLARENCE B. CARSON

The Rise and Fall of England

12. THE FABIAN PROGRAM

THE MOVEMENT toward socialism in England was guided, directed, and pressed by the Fabians. Of course, others had a hand in it: Marxists, cooperative commonwealthers, Christian socialists, land nationalizers, syndicalists, utopians, Liberals, and labor unions, to name a partial list. But the Fabians were central to the undertaking. From the mid-1880's, they pressed vigorously and along many lines for the socialization of England. Most of the big names in English socialism eventually either became Fabians or were closely associated with them. The Fabians moved most unerringly toward political power, provided additional impetus to every rising current, gave the movement its aura of intellectual respectability, and trained so many of the leaders who would move into the political sphere. An examination of the Fabian program, too, will show that the means employed in the movement toward socialism in England were generally those advocated by the Fabians. What follows is an outline of the Fabian program as it was set forth from the 1880's into the early twentieth century, mainly in the Fabian Tracts.

The goal of the Fabians was socialism. They never made any secret of this, and, indeed, on many occasions affirmed it. For example, Tract #7 proclaims that "The Fabian Society consists of Socialists." It goes on to explain what that means:

Dr. Carson, Professor of History at Grove City College, Pennsylvania, will be remembered for his earlier FREEMAN series, *The Fateful Turn, The American Tradition,* and *The Flight from Reality.*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

It therefore aims at the re-organization of Society by the emancipation of Land and Industrial Capital from individual and class ownership, and the vesting of them in the community for the general benefit. . . .

The Society accordingly works for the extinction of private property in Land and of the consequent individual appropriation, in the form of Rent, of the price paid for permission to use the earth, as well as for the advantages of superior soils and sites.

The Society, further, works for the transfer to the community of the administration of such industrial Capital as can conveniently be managed socially. . . .

State Socialism Exclusively

The Fabians proposed to achieve these ends by the use of governmental power. The matter is bluntly stated in Tract #70: "The Socialism advocated by the Fabian Society is State Socialism exclusively." More comprehensively, "Socialism, as understood by the Fabian Society, means the organization and conduct of the necessary industries of the country and the appropriation of all forms of economic rent of land and capital by the nation as a whole, through the most suitable public authorities, parochial, municipal, provincial, or central."

However, Fabians claimed to favor constitutional means of taking over the government in England and to be advocates of democracy. Sidney Webb claimed in Tract #70 that the "Fabian Society is perfectly constitutional in its attitude; and its methods are those usual in political life in England." Moreover:

The Fabian Society accepts the conditions imposed on it by human nature and by the national character and political circumstances of the English people. . . .

Elsewhere, he affirmed that "all students of society who are abreast of their time, Socialists as well as Individualists, realize that important organic changes can only be . . . democratic, and thus acceptable to a majority of the people, and prepared for in the minds of all. . . ."[1] It should be clear, however, that considerable constitutional changes in the structure of English governmental power would have to be made before socialist programs could be made into law and that democracy in their hands would take on new connotations.

Emphasis on Equality

If George Bernard Shaw can be accepted as a spokesman for the Fabians, they believed in equality.

[1] J. Salwyn Schapiro, ed., *Movements of Social Dissent in Modern Europe* (Princeton: D. Van Nostrand, 1962), p. 161.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

In a speech before the National Liberal Club in 1913, he had this to say:

> When I speak of The Case of Equality I mean human equality; and that, of course, can only mean one thing: it means equality of income. It means that if one person is to have half a crown, the other is to have two and sixpence. It means that precisely. . . . The fact is that you cannot equalize anything about human beings except their incomes. . . .[2]

The chances are good, however, that Shaw was going beyond what the Fabian Society would have wanted to declare. Perhaps, some such equality was an ultimate goal, but, in practice, the Fabians only pressed toward it, as was their way, in gradual increments.

The favorite tactic of the Fabians for pressing England toward socialism was one they called "permeation." "In its most general sense, it meant that Fabians should join all organizations where useful Socialist work could be done, and influence them. . . . Taking a broad interpretation of the meaning of Socialism and having an optimistic belief in their powers of persuasion, the Fabians thought that most organizations would be willing to accept at least a grain or two of Socialism. It was mainly a matter of addressing them reasonably, with a strong emphasis on facts, diplomatically, with an eye to the amount of Socialism they were prepared to receive, and in a conciliatory spirit."[3] In the following, Shaw tells how they actually achieved "permeation" in 1888:

> We urged our members to join the Liberal and Radical Associations of their districts, or, if they preferred it, the Conservative Associations. We told them to become members of the nearest Radical Club and Co-operative Store, and to get delegated to the Metropolitan Radical Federation and the Liberal and Radical Union if possible. On these bodies we made speeches and moved resolutions, or, better still, got the Parliamentary candidate for the constituency to move them, and secured reports and encouraging little articles for him in the *Star*. We permeated the party organizations and pulled all the wires we could lay our hands on with our utmost adroitness and energy; and we succeeded so far that in 1888 we gained the solid advantage of a Progressive majority, full of ideas that would never have come into their heads had not the Fabian put them there, on the first London County Council. (Tract #41.)

It is not necessary, of course,

[2] James Fuchs, ed., *The Socialism of Shaw* (New York: Vanguard Press, 1926), p. 49.

[3] A. M. McBriar, *Fabian Socialism and English Politics* (Cambridge: Cambridge University Press, 1962), pp. 95-96.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to accept at face value all the claims of success of the Fabians, for they were never modest in their claims, in order to see that this is how they intended to operate by "permeation."

In Tract #7, the Fabians described the activities which they were to pursue in the following way:

1. Meetings for the discussion of questions connected with socialism.
2. The further investigation of economic problems, and the collection of facts contributing to their elucidation.
3. The issue of publications containing information on social questions, and arguments relating to socialism.
4. The promotion of socialist lectures and debates in other societies and clubs.
5. The representation of the society in public conferences and discussions on social questions.

Wide Range of Activities

Actually, the Fabians engaged in a wide range of activities: holding their own meetings, issuing tracts, doing research, joining organizations, engaging in socio-political gatherings, using their individual talents in subtle ways to promote socialism, writing letters to editors, making speeches, and so on.

They cast their nets as wide as possible to draw in as many as possible of the wide range of people with beliefs amenable to some degree of socialist activity. While they usually rejected any particular panacea, as, for example, syndicalism and revolution, this did not mean that they rejected the people of these persuasions. The Fabians did not neglect to appeal to Christian socialists. Several of the Tracts are devoted to this subject. They attempt to show that there is a close affinity between socialism and Christianity and, indeed, that the attainment of socialism is a necessary framework for realizing the ideals of Christianity. The Reverend John Clifford conveys this character of the appeal in the following excerpts from Tract #78:

> Another sign of the closer kinship of Collectivism to the mind of Christ is *in the elevation and nobility it gives to the struggle for life.* Collectivism does not extinguish combat, but it lifts the struggle into the worthiest spheres, reduces it to a minimum in the lower and animal departments, and so leaves man free for the finer toils of intellect and heart; free "to seek first the Kingdom of God. . . ."
>
> Again, Collectivism affords a better environment for the teachings of Jesus concerning wealth and the ideals of labor and brotherhood. If man is . . . only "the expression of his environment," if, indeed, he is that

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

in any degree, then it is an unspeakable gain to bring that environment into line with the teaching of Jesus Christ.

Nor were the Fabians above appealing to communists. In Tract #113, they published a lecture that had been delivered by William Morris in which he held that "between complete Socialism and Communism there is no difference whatever in my mind. Communism is in fact the completion of Socialism: when that ceases to be militant and becomes triumphant, it will be Communism."

All Things to All People

The Fabians, then, tended to be all things to all men that they might win people to socialism. Nowhere is this clearer than in the particular programs they advocated. Here they appeared to be completely eclectic. They had few biases against any type of program so long as it was in the general direction of socialism. Such eclecticism has come to be known as pragmatism in reformist circles, but this is only another instance of how socialists take words out of context and give them their own content. For the English Fabians have been no more pragmatic in testing the value of their programs against their ultimate results than have American reformers. They have only been pragmatic in the sense that they tested an approach by how successful it was in actually getting a program put into effect.

In any case, the Fabians advocated, from the first, a wide range of programs. They embraced government intervention and ameliorative reform, though these were, from their point of view, half-way measures at best. For example, a number of the Tracts are concerned with changes in and administration of the Poor Laws. The following argument, in Tract #54, is clearly melioristic:

> The expense of relieving the poor, who are not wilfully improvident, is part of the ransom that Property has to pay to Labor; and it is a ransom which is not begged as a charity but demanded as an instalment of justice. With the growth of enlightenment and the spread of humane ideas amongst all classes, and consequently greater intelligence amongst the mass of voters in the use of their political power, we shall have better laws better administered. The worn-out, deserving worker will be maintained in self-respect in his old age; the temporarily disabled will be helped without pauperization. . . .

Of a similar ameliorative character was the proposal for a national minimum wage law advanced in Tract #127. (Incidentally, the title of this Tract is "Socialism and Labor Policy," and it

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

was published in 1906.) The proposal reads, in part:

> Of far greater urgency and importance is the need for a minimum wage by law.... Every worker in a civilized state must receive a wage high enough to give him the food, clothing and house-room necessary to physical health and efficiency....
>
> The first step towards this end should be the determination of a real minimum of food, clothing and housing by an authority appointed by the government.... Then the government should be pressed to put its own house in order by the institution of a minimum in the public service throughout the kingdom. A Minimum Wages Bill should follow, bringing all sweated trades within the scope of the law, and punishing all employers who, after a certain date, pay less than the legal minimum....

Government Ownership and Control

The Fabians worked at many levels and addressed themselves to many different audiences. Even the different Tracts were apparently aimed at people of widely varying degrees of receptivity to socialism. One might be addressed to something as unrevolutionary as the Poor Laws. On the other hand, the next might deal with the intricacies of socialist theory, while a third might be burdened down with statistics about conditions in laundries in England. The immediate thrust of the Fabians was to get the government involved in as many economic activities as possible. The long range aim, of course, was to achieve government ownership and control over the major means of production and distribution of goods and services. This goal could be painlessly achieved, or so they claimed. Tract #13 put the matter this way:

> The establishment of Socialism, when once the people are resolved upon it, is not so difficult as might be supposed. If a man wishes to work on his own account, the rent of his place of business, and the interest on the capital needed to start him, can be paid to the County Council of his district just as easily as to the private landlord and capitalist. Factories are already largely regulated by public inspectors, and can be conducted by the local authorities just as gasworks, water-works and tramways are now conducted by them in various towns. Railways and mines, instead of being left to private companies, can be carried on by a department under the central government, as the postal and telegraph services are carried on now. The Income Tax collector who to-day calls for a tax of a few pence in the pound on the income of the idle millionaire, can collect a tax of twenty shillings in the pound on every unearned income in the country if the State so orders....

This was the large plan, but each step had to be taken in its

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

own time, and particular arguments were advanced for each one. A favorite mode of argument was to use analogy with some service government already performed to claim that another should be brought under the arm of government. For example, here is the argument for municipal milk supply in Tract #90:

> If we want good milk, let us establish our own dairy farms in the country and our milk stores in the city. Many of our large towns have spent enormous sums of money to provide their citizens with water: why should they not also provide them with milk? The arguments in favor of municipal water apply with greatest force to municipal milk. . . .

Municipalization

In the early years, the Fabians directed much of their attention to getting local governments to take over enterprises. The Tracts called for "municipalization" much more frequently than for nationalization. Tract #91 called for municipal pawnshops. Tract #92 advocated municipal slaughterhouses. Tract #94 advanced the notion of having municipal bakeries. There appears to have been no particular order of priorities, for municipal hospitals did not gain the limelight until Tract #95. Municipal steamboats got full attention in Tract #97. The argument for municipal slaughterhouses was similar to the others in many respects, so it may be presented in brief:

> Many of our private slaughterhouses are in so insanitary a condition that the meat is exposed to foul emanations from drains, decomposing blood, offal, etc. They may easily become a source of grave danger to the surrounding districts. In municipal slaughterhouses, on the other hand, the buildings are especially designed for their purpose; they are kept in good sanitary condition, and the meat is therefore not subject to deterioration. . . .

The Fabian Society had earlier, in Tract #86, called for the municipalization of liquor traffic.

Provisions existed from 1890 onwards for municipalities to build houses for private occupancy, and the Fabians wished to accelerate this kind of activity. In Tract #76 they noted that the "provision of housing accommodation for the industrial classes has hitherto been left almost entirely in the hands of private enterprise, with the inevitable result that high rents are exacted for the privilege of occupying squalid dwellings whose very existence is a grave social danger." They give this advice: "In order to get the Acts utilized by the local sanitary authority, it is advisable to carefully collect facts relating to insanitary areas and dwellings, and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

thus to prove the necessity for municipal action. In large towns the work of demonstrating such need is only too easy."

A Middle Way

Of course, the Fabians did not overlook a prominent role for the national government and for nationalizing. Local governments in England are, in their inception, creatures of Parliament, and their activities have been at one time or another authorized by that body. Thus, whatever body undertook socialization directly, its activities would be authorized and could be directed by Parliament. In Tract #108 the Fabians advocated "National Efficiency," and a "National Minimum" for working conditions, for housing, for standards of living, and for education.

To achieve this, they proposed the use of grants-in-aid, a device with which Americans have since become familiar. Their argument for the grant-in-aid is sufficiently revealing of the way they advanced an idea to be worth examining briefly. They described it as a middle way between centralization and local autonomy. "The middle way has, for half a century, been found through that most advantageous of expedients, the grant in aid. We see this in its best form in the police grant." According to the Tract, local police were frequently ineffective, and poorer districts were not financially able to maintain efficient police. "A grant in aid of the cost of the local police force was offered to the justices and town councilors – at first one quarter, and now one half, of their actual expenditure on this service, however large this may be."

Nationalization

But for activities which were nationwide, the Fabians proposed nationalization. It is clear, too, that even where the activity was not truly nationwide, they were thinking of national planning for and control of it. For example, Tract #125 deals with the question of electricity and street transportation. The author(s) argues that the provision of these services efficiently extends beyond the bounds of any municipality. He proposes, then, that the country be divided into several provinces, in each of which there will be a provincial board empowered by Parliament to plan for these services. Nationalization, however, appears to be the ultimate aim. For they say:

> The establishment of a system of provincial boards as here indicated does not exhaust the possibilities of coordination of area in connection with local government and the collective control of industry. In course

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of time it will be found possible to carry the development a stage further, and from the Provincial Boards to elect National Boards, which would stand in the same relation to the Provinces as the Co-operative Wholesale Society does to the various societies which are its component parts. For instance, a National Board elected from the provincial Transit and Electricity Boards might be empowered to carry on the work of building rolling stock by direct employment in its own workshops for the whole of the publicly owned transit services of the country. It might also start factories for the manufacture of tramway rails and motor cars. It could undertake the work of constructing plants of all kinds for publicly owned electric light and power installations. Various local authorities build their own vans, carts, and wagons, and there is no reason why tramcars could not be built in a public workshop with equal ease. . . .

The above has been quoted at length because it indicates how Fabians would move from local activity to regional control to nationalization to socialism.

Some nationalization was to be more directly undertaken, as they envisioned it. Tract #119 called for the direct nationalization of the railways and merchant marine. This would involve some kind of confiscation, as they foresaw. Of course, the owners should be compensated, but the Fabians proposed that the compensation should only constitute a payment of profits to shareholders, not the return of their capital investment. In short, the capital would simply be expropriated. As for agriculture, Tract #123 says: "Our ultimate aim is to bring the whole of the land into national ownership. . . ." Land would be acquired in much the same way as railroads and shipping. "The Committee would have power to acquire land compulsorily. If a fair rent had already been fixed, then the purchase would proceed on the lines of securing to the vendor his net income, that is, the rent. . . . If such a rent has not been fixed, then its ascertainment would form a preliminary to purchase."

Each Step Forward a Prelude to the Next

Thus would England proceed step by step toward complete socialism. This involved no necessary order to action. Each step would draw the country inexorably toward the next, or toward others. Government ownership at any level of anything would prepare the English mentally for ownership at another level of something else. Government planning of one activity would make necessary the planning of associated activities. Since an economy is ultimately inextricably intertwined, it must all

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

be eventually socialized to attain national integrity. The productivity and flexibility of private enterprise could be continued without what were for them the infelicities of private ownership, and all could be achieved without anyone being greatly hurt.

This was the Fabian blueprint for England. The Fabians were remarkably provincial. The rest of the world concerned them hardly at all in the early years. That England was the world's financier during the years in which they were constructing their pipe dream hardly concerned them. But they were probably as innocent of knowledge about international finance as they were of how to milk cows. Yet the English people were greatly attracted to these notions, and they were drawn into the political efforts by which the blueprints were supposed to result in a new edifice. That these were blueprints for the Fall of England, they were not told. To see that they were, we must now turn to the actual course of development. ◈

The next article of this series will trace the implementation of "Reform Ideas into Political Action."

IDEAS ON LIBERTY

The Power of the Press

JOURNALISTS, always chary of saying that which is distasteful to their readers, are some of them going with the stream and adding to its force. Legislative meddlings which they would once have condemned they now pass in silence, if they do not advocate them; and they speak of *laissez-faire* as an exploded doctrine. "People are no longer frightened at the thought of socialism," is the statement which meets us one day. . . . And then, along with editorial assertions that this economic evolution is coming and must be accepted, there is prominence given to the contributions of its advocates. Meanwhile those who regard the recent course of legislation as disastrous, and see that its future course is likely to be still more disastrous, are being reduced to silence by the belief that it is useless to reason with people in a state of political intoxication.

HERBERT SPENCER, *The Man Versus the State* (1884)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE SQUEEZE ON THE MIDDLE CLASS

WILLIAM HENRY CHAMBERLIN

THE MIDDLE CLASS, the large group of many occupations – professional men, engineers, skilled mechanics, farmers, small businessmen, salaried employees, farmers, to list only a few – that stands between the extremes of wealth and poverty has always been the standardbearer and the surest and most solid support of a society based on political liberty and economic freedom. It began to emerge with increased power and influence with the decay of the medieval feudal system and waxed strong in the struggle to curb the arbitrary power of monarchy and establish free representative institutions.

The middle class was active in the leadership of the three principal revolutions of the Western world, the British in the seventeenth century, the American and the French in the eighteenth. The French was perverted and distorted to some extent by the greater misery of the masses, especially of the Parisian mob, which lent itself to the manipulation of extremist demagogues, intoxicated with doctrinaire ideas of establishing not equality of opportunity, the American ideal, but complete material equality, to be enforced by dictators operating in the name of virtue and using the guillotine whenever moral suasion failed. Out of all the turmoil and excesses of the French Revolution, its Napoleonic aftermath and the various royal, imperial, and republican regimes that followed during the nineteenth century, middle-class social and economic values acquired a firm footing. France supplied some of the most eloquent and erudite expon-

Mr. Chamberlin is a skilled observer and reporter of economic and political conditions at home and abroad. In addition to writing a number of books, he has lectured widely and is a contributor to *The Wall Street Journal* and numerous magazines.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ents of the free economy, such men as Frederic Bastiat and Jean Say.

It is the nature of absolute power, whether it be that of a king surrounded with inherited pomp, ceremony, and pageantry or that of a revolutionary dictator, to recognize no limits on what it may do with regard to those under its rule. So it is significant that John Locke, the outstanding philosopher of the British constitutional revolution whose ideas very much influenced the leaders of the American Revolution, insisted upon the natural right of man to "life, liberty, and property."

There was never any doubt in Locke's mind, or to those of the educated middle class for whom he spoke, that property, far from being opposed to liberty, is one of the essential rights of free men. Locke, a true liberal in the original sense of a word now often perverted and misapplied, went so far as to describe the preservation of their property as "the great and chief end of men's uniting into commonwealths."

The rising and expanding middle class was open to any able and industrious citizen, whatever his origin and background. What they more or less consciously wanted and needed was a state authority strong enough to protect honestly acquired possessions against spoliation but not so strong as to engage in spoliation itself.

No Taxation Without Representation

It is not surprising that some of the movements that led to the establishment of the supremacy of Parliament in Great Britain and to the separation of the United States from Great Britain were triggered by one specific property right: the right of the individual not to be taxed without his consent. In his effort to govern without the inconvenience of having a Parliament in session, King Charles I resorted to an old tax known as ship money. In the past it had been levied only in time of war and in certain maritime parts of the country. Charles imposed the levy in peace, and without geographical limitations.

One of the leaders of the opposition in Parliament, John Hampden, refused to pay the tax, contending that it was illegal. Seven out of twelve judges who heard the case, under strong pressure from the Crown, ruled against Hampden. But his stand aroused nationwide attention and sympathy and, as soon as Parliament was again called, "ship money" was ruled illegal. Hampden, a country landowner, was as willing to fight for liberty as to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

speak for it. When the differences between King and Parliament reached the point of civil war, Hampden raised a regiment among his tenants and lost his life in one of the many skirmishes and small battles that followed.

In the United States, also, "taxation without representation" was a fighting issue. Like many other small causes of big events, the British levies on stamps and tea were petty in immediate impact; but the underlying claim that a Parliament in London three thousand miles away might lay imposts on colonists who were not (and, under the travel and other circumstances of the time probably could not be) represented there excited justified suspicion and resistance. The colonists knew very well that taxation accepted without protest would probably mean double or treble taxation in the future.

Irresponsible bureaucracy ranked high with arbitrary taxation among the causes which led the American colonists, when protests and remonstrances had failed, to take up arms. This is evident from the following clause in the indictment of King George III in the Declaration of Independence:

> He has erected a multitude of New Offices, and sent hither swarms of Officers to harass our People, and eat out their substance.

How surprised and shocked would have been the men who fought against a foreign tyranny at Lexington and Bunker Hill and Saratoga and Yorktown if they could have foreseen today's bureaucratic monster, in the shape of Federal, state, and local governments, costing almost $9,000 a second to operate, and doubling its exactions from the labor of its citizens every ten years.

Design for Limited Government

No such monster was envisaged in the Constitution which the deliberations of a representative group of leading citizens of the various states yielded as the constructive fruit of the achievements of the American revolutionaries in arms and diplomacy. It is an uncommonly useful and instructive exercise periodically to read over this charter of American laws and liberties. And one of its most striking features is the sparseness of promises as to what the new government will do *for* the people (indeed, there are practically no such promises), compared with the many explicit guaranties as to what the government may not do *to* the people as a whole or as individuals. These immunities included, until the adoption of the Sixteenth Amendment in 1913, assurance against the imposition of the graduated income tax.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The kind of government outlined by the American Constitution is in line with the political philosophy of John Locke and Adam Smith that "every man is by nature first and principally committed to his own care." What the Constitution promised is not to make each citizen healthy, wealthy, and wise – something beyond the power of government – but to remove state obstacles to his achieving these objectives by his own efforts.

This was the logical outcome of the struggle against absolute monarchy and feudalism, a struggle in which the middle class played a leading role. It was under this philosophy that the middle class prospered and expanded, because it was no closed hereditary caste but a group in the community which anyone might join with the requisite conditions of industry and ability.

Social Security?

But today, at first gradually and imperceptibly, then more boldly and blatantly, a completely different philosophy of statism has tended to supplant individualism, both in the United States and in Great Britain and in varying degrees in other Western countries. (One need hardly refer to the European and Asian countries where the individual has lost all liberties –economic, personal, and political, to the grasping thrust of an all-powerful state).

Under this philosophy the government promises its citizens various forms of alleged security, in return for which it exacts a first lien on what they earn by their labor, a lien that is indefinite and ever-expanding. The benefits may look good on paper; but their real value is steadily sapped by inflation, the erosion in the purchasing power of the currency that is the invariable accompaniment of vast government spending. Increasing amounts are taken from everyone's salary to pay for what is euphemistically called Social Security, while the dollars which may be some day paid out steadily diminish in value.

Following British Lead

This process has gone further in Great Britain than in the United States, so that a visit to Britain gives a preview of what may be the plight of the United States ten or twenty years hence. There was a time, before World War I and to a lesser extent in the interwar years, when the British pound was considered a desirable currency, not only to earn and spend, but to save. No longer. Malcolm Muggeridge, leading British television commentator, wrote recently:

Our currency is gently expiring which lets us off any form of saving.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

It would be as sensible to save next winter's snow as the Pound Sterling.

We have come to think of our currency as an ailing elderly uncle; yesterday he had a good day, this morning he was feeling a little better, and able to sit up and take a little nourishment, only in the afternoon to suffer a slight relapse. One day, of course, he will pass away – dear old Pound Sterling. It had to happen, but even so he'll be missed.

Mr. Muggeridge has a habit of satirical exaggeration; but there is plenty of evidence to support his dim view of his national currency. What were once called gilt-edged securities are selling at fantastic discounts on the London Stock Exchange. New Zealand recently floated a loan in London at 6¾ per cent, but with an interesting proviso: the value of the loan was to be reckoned in German marks, with correspondingly higher interest and principal payments in the event of a devaluation or writing down of the value of the pound in terms of other currencies. Such a devaluation did occur after the loan was floated.

The "English Disease"

The lack of adequate incentives to capital and to labor – due to inflation and the steady depreciation in the real value of the pound – is a basic reason for what is called on the European continent the English disease: the inability of Britain, year after year, to balance its international payments, paying out more than it takes in.

In America also the middle class finds itself more and more ground between the two millstones of inflation and ever higher taxation at all levels, Federal, state, and local. It is, of course, a basic part of the welfare state theory that government bureaucrats can spend an individual's money better than he would spend, or save, that money himself if it were not siphoned off in taxes. Some aspects of the 1968 election in the United States can only be interpreted as the desperation of certain taxpaying, self-respecting, substantial citizens confronted with continually higher tax bills while their wives complain of ever-higher prices at the supermarket.

The Tax Foundation recently reduced to specifics the impact of inflation and higher prices on an imaginary character named Charlie Green. Charlie is in relatively favorable circumstances; he earns $12,000 a year, up from $7,500 ten years ago. But not all is gold that glitters in Charlie's pockets, even though his income is about $3,000 more than that of the average American family of four. Charlie has a 17-year-old son and a 15-year-old son and financing them through college, where board and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tuition charges have been rising as fast as taxes, is not the least of his worries.

Between 1958 and 1968, Charlie's Federal tax is up from $1,266 to $2,169: his state tax from $169 to $610; his local property tax from $590 to $1,301. All have been rising faster, the state and local tax considerably faster, than his income. And rising prices have wiped out $489 of his after-tax pay boosts.

What makes the outlook even gloomier for the economic survival of the millions of Charlie Greens who comprise the middle class is the cumulative effect of many existing taxes. The full impact of the expense of much of the social welfare legislation enacted by the spendthrift eighty-ninth Congress has not yet been felt. This is also true of the cost of Social Security, which went up again, and appreciably, at the beginning of 1969. As invariably happens with such hand-outs, the price tag of Medicare, Medicaid, and similar social patent medicines is much higher than the original estimate.

And there is no lack of ingenious schemes for taking what others have earned, for reaping what has not been sown, for still further pillaging the thrifty for the supposed benefit of the thriftless. When, in a time of normal industrial activity, there are one million people on the welfare rolls of New York, when those who provide the most essential services, teachers, policemen, firemen, sanitation employees, hold up an almost empty municipal treasury for raises out of all proportion to the rising cost of living, it is clear that something is radically wrong.

A Backbreaking Burden

If present trends continue and accelerate, it is not difficult to foresee a time when incentive to creative work by hand or brain will disappear, because its fruits will be eagerly plucked by half a dozen sets of tax collectors. One root cause of the trouble is the change from the time when the American taxpayer was supposed to have done his civic duty when he supported himself and his family and the religious, philanthropic, and educational causes of his choice. Now, he is expected to carry on his shoulders the weight of supporting millions of workless indigent in this country, assuring the triumph of democracy in countries that hardly know the meaning of the word, relieving the age-old poverty of Asia and Africa and Latin America, and paying the cost of such sociological experiments as busing children for miles from their homes and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

rebuilding slums which he never made.

The burden is backbreaking and it will not be surprising if some Americans, despairing of relief from an intolerable situation, are tempted to experiment with quack remedies that may be foolish and harmful. What is most needed is education in economic realities, education that will lead to remedial action.

When more people see the state as a robber baron that takes *from* them, not as a Santa Claus that gives *to* them, the prospects will have improved for the dismantling of the bureaucratic monster. (How completely out of hand this monster has grown is evident from the fact that the national budget, which only passed the billion dollar mark early in this century, now stands at $186 billion). One essential condition for reform is for the voter to use the power of the ballot more intelligently and discriminatingly than he does at present. Every legislator, every executive, at state and national levels, who makes new taxes necessary should be marked for defeat the next time he runs for office.

When the majority of the people recognize that the free-spending leviathan state is the main source of their financial and economic grievances and insist on drastic retrenchment at any cost, the prospect of the survival of the independent middle class will be much brighter than it is at present. ◈

IDEAS ON LIBERTY

Contract or Status

Using the word co-operation in its wide sense, and not in that restricted sense now commonly given to it, we may say that social life must be carried on by either voluntary co-operation or compulsory co-operation; or, to use Sir Henry Maine's words, the system must be that of *contract* or that of *status;* that in which the individual is left to do the best he can by his spontaneous efforts and get success or failure according to his efficiency, and that in which he has his appointed place, works under coercive rule, and has his apportioned share of food, clothing, and shelter.

HERBERT SPENCER, *The Man Versus the State* (1884)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Consider Your Stand

GOTTFRIED DIETZE

Last fall, Students for a Democratic Society urged teachers to refuse to teach on November 5 (Election Day) in order to "protest an election without choice." The following memorandum of November 3, 1968, was addressed to "Teaching Assistants Concerned" by Dr. Gottfried Dietze, Acting Chairman, Department of Political Science, The Johns Hopkins University, Baltimore, Maryland.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MEMORANDUM

SUBJECT: *Your refusal to teach on November 5 in order to "protest an election without choice."*

Let me urge you to do your regular teaching on November 5, unless such teaching is canceled by the university. You should not interfere with the process of learning, but should fulfill obligations you assumed when you accepted admission as a student, fellowship aid, and a teaching assignment for the current academic year.

The relationship between student and university is a contractual one. Implicit to that contract is the promotion of learning. This precludes interference with learning as it is offered by the school in conformity with its program which is available to everyone who applies for admission. A student who interferes with the process of learning commits a breach of contract. This applies a fortiori to students, who by action of the university, receive financial aid and are given a teaching assignment in the expectation that they will excel in the promotion of learning.

The university extended a special trust to you. It was under no obligation to admit you for the current year, to assure you financial aid, or to provide you with a teaching opportunity. The fact that you did enroll indicates that you preferred its program over that of other schools and that you considered this university's offer more attractive and more generous than offers from other schools. Please reciprocate. Although you are free to resign, as long as you enjoy the privilege of being enrolled, the university has every right to expect that you fulfill your obligations.

This by no means excludes legitimate protest. Universities are places of protest by definition. Research and teaching – learning – are unthinkable without the possibility of protest. Protest is the lifeblood of academic freedom, a prerequisite for progress. However, universities can be havens for protest only if the process of learning is not curtailed. For learning promotes rational protest which is to be preferred to irrational demonstrations. Although the scope of university

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

programs will always be limited (which is obvious in catalogues), it is conceivable that university officials will arbitrarily impede the process of learning. In that case, protests through the proper university channels are in order. But never must such protests interfere with learning.

You refuse to teach because "the democratic process has failed." It so happens that the Johns Hopkins Press just published my new book, *America's Political Dilemma,** a study turning around the decline of rational democracy as a result of the pseudo-liberalism that has determined governmental policy since the New Deal. However, this regrettable fact could never induce me not to teach. I believe with Jefferson that through education we can improve the democratic process and achieve a rational, working democracy which protects life, liberty, and property.

Your complaint that the coming election is one without choice is in no way connected with the policies of this university. You do not blame the university for the failure of the parties to nominate candidates that are more to your liking. Yet, you intend to let the university suffer for something it has not done. You intend to deprive undergraduates who pay tuition of the instruction they are entitled to, although they were not involved in the nomination of candidates for the presidency. You do not protest to the university authorities because you have no cause for protest. Yet, in refusing to teach, you interfere with learning – an action you would not be entitled to even if the university had given you such cause.

If A hits you, you may want to strike back, although it often may be wise to complain before striking the second blow. But would you hit the innocent B in retaliation for A's act?

Won't you reconsider your present stand?

---

*EDITOR'S NOTE: Reviewed in THE FREEMAN, June, 1968, by Edmund A. Opitz. Admiral Ben Moreell, Chairman of the Board of Trustees, Americans for Constitutional Action, commented on this book: "Vitally important . . . easily readable, yet scholarly and well-documented . . . a closely argued, systematic and provocative study of the American scene . . . It is a timely book which can do tremendous good. I strongly recommend that everyone interested in constitutional government and the preservation of freedom read it."

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

EDUCATION IN AMERICA

GEORGE CHARLES ROCHE III

5. *Discipline or Disaster?*

MODERN MAN'S collapse of values and intellectual decline must be attributed at least in part to his undisciplined nature. In no other age have men seemed so unwilling to exercise or accept any restraint upon individual appetite. We no longer seem to know how to discipline our young, perhaps because we no longer know how to discipline ourselves. If we could uncover the philosophic underpinnings of this nondiscipline, much of what is happening today in our educational structure would perhaps become more understandable – and less acceptable.

Schools, of course, are not solely to blame for the collapse of values and discipline in our society. Yet, at a time when individuals cry out for spiritual meaning and direction in their lives, all too many of our schools seem to play down the role of discipline, pinning their hopes upon more elaborate physical facilities, more of the "self-expression" and "recreation" that already reflect the undisciplined values of our age.

If we fail to sow the seeds of values and of discipline among our young, we should not be surprised at the harvest. As Albert Jay Nock

Dr. Roche is Director of Seminars for the Foundation for Economic Education. He has taught history and philosophy in college and maintains a special interest in American education.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

phrased it in *The Theory of Education in the United States*:

> Nature takes her own time, sometimes a long time, about exacting her penalty – but exact it in the end she always does, and to the last penny. It would appear, then, that a society which takes no account of the educable person, makes no place for him, does nothing with him, is taking a considerable risk; so considerable that in the whole course of human experience, as far as our records go, no society ever yet has taken it without coming to great disaster.

To educate the young in proper values and proper self-discipline is not unduly complicated. Children have no stronger urge than to be "grown up," and are quick to imitate the adult behavior they see around them. The inculcation of proper values and proper self-discipline requires that we act as we wish our children to act. If we would discipline our children, we begin by disciplining ourselves.

But, here is the problem: How can we expect the exercise of self-discipline by parents who are themselves products of a permissive educational system? The sound idea that a child's interests should be taken into account in planning an educational program has been twisted to mean that a child should be given whatever he wants. Parents first abandon to the schools the responsibility for teaching values and discipline; the schools in turn reply that discipline and value-education can best be left to the children themselves. Small wonder that children rebel when thus abandoned by their elders.

Much of the revolt against authority came in the wake of World War I. The 1920's saw the crystallization of an attitude which totally rejected any standard outside the self. Freudian psychologists insisted that restraint of any natural desire is bad. The "new era" theorists taught us that art was the unplanned result of a head-on collision between the artist's personality and the medium of his work. The professional educationists made the cycle complete in telling us that our young should do only what they wish to do. Such evidences of anti-discipline, in psychology, in art, and above all, in education, are now so commonplace that we take them for granted. All of this has gone hand in hand with the subjugation of intellect to emotion, impulse, and instinct.

Freedom Becomes License

A certain balance of freedom and order is essential, not only in education but in all human endeavor. The importance of freedom in the educational process has already been discussed at length.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

But the peculiar conception of "freedom from" rather than "freedom for" carries with it a rejection of all the values and inner disciplines which are necessary to give freedom any real meaning. Today "freedom" has a quality tending suspiciously toward what an earlier generation would have called "license." "Do what you want when you want to do it," modern society tells its young, and then is surprised when the young do just that!

One of the ultimate contrasts that presents itself in a subject of this kind is that between habit as conceived by Aristotle and nature as conceived by Rousseau.

"The first great grievance of the critical humanist against Rousseau is that he set out to be the individualist and at the same time attacked analysis, which is indispensable if one is to be a sound individualist. The second great grievance of the humanist is that Rousseau sought to discredit habit which is necessary if right analysis is to be made effective. "The only habit the child should be allowed to form," says Rousseau, "is that of forming no habit." How else is the child to follow his bent or genius and so arrive at full self-expression? The point I am bringing up is of the utmost gravity, for Rousseau is by common consent the father of modern education. To eliminate from education the idea of a progressive adjustment to a human law, quite apart from temperament, may be to imperil civilization itself. For civilization (another word that is sadly in need of Socratic defining) may be found to consist above all in an orderly transmission of right habits; and the chief agency for securing such a transmission must always be education, by which I mean far more of course than mere schooling.[1]

Babbitt was right, of course; learning is rapidly declining in most of our schools, through a steady erosion of standards, intellect, and discipline. The late President Eliot of Harvard epitomized the tendency of our time when he insisted, "A well-instructed youth of eighteen can select for himself a better course of study than any college faculty, or any wise man who does not know his ancestors and his previous life, can possibly select for him. . . . Every youth of eighteen is an infinitely complex organization, the duplicate of which neither does nor ever will exist." The libertarian, of course, centers his case upon the individual, upon a personality whose very uniqueness necessitates freedom of choice; but the libertarians must also help to provide a proper value structure within which that choice takes place, else the choice itself becomes meaningless. It is such a

[1] Irving Babbitt, *Rousseau and Romanticism*, p. 292.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

meaningless choice to which President Eliot and most modern educationists have condemned our young people. In Irving Babbitt's phrase, "The wisdom of all the ages is to be as naught compared with the inclination of a sophomore."

Underlying this willingness to allow the young person to pick and choose without discipline or direction is the tacit assumption that no body of knowledge exists as a proper explanation of the human condition. The great point becomes not to teach knowledge, but to teach students. If no standards exist, how can they be passed on to the young?

Simply, it may be called the philosophy of "doing what comes naturally." At the intellectual level, for example, it is held that there is some magic value in the uninhibited and uninformed opinion if freely expressed. And so discussion groups are held in the grade schools and the high schools on such subjects as "What do *you* think about the atom bomb?" or "teen-age morality" or "banning *Lady Chatterley's Lover*" or "implementing freedom among underprivileged nations" or what not. The poor little dears have scarcely a fact to use as ballast. But no matter. The cult of sensibility believes that continuing, free, uninhibited discussion will ultimately release the inherent goodness of natural instincts and impulses. The fad for "brainstorming" has passed, but not the philosophy behind it.[2]

Today it seems to be assumed that any opinion whatsoever is justified so long as it is held with sufficient sincerity and emotional fervor. One shares with Irving Babbitt the feeling that "perhaps the best examples of sincerity in this sense are to be found in insane asylums."

In part, this endless capacity for "dialogue" and "the open mind" stems from the same philosophic roots producing our decline of standards and decline of intellect. Unless the individual finally uses that open-mindedness as a preparation for the final act of *judgment* and *selection*, that is, uses his free inquiry and fact gathering as a means of finally *reaching a conclusion*, then open-mindedness becomes only the drafty, valueless cavern through which blow the cold winds of decline and death.

A society unwilling to discipline its thinking and its young is a society doomed to extinction.

A Disciplined Effort Required for the Education of Leaders

Good or bad leaders will always be with us, and no amount of Rousseau's "General Will" or

[2] Calvin D. Linton, "Higher Education: The Solution — or Part of the Problem?" *Christianity Today*, Feb. 16, 1968.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

democratic faith in numerical majorities can change that fact. We will be no better than the quality of the leaders within our society, and the quality of leadership in a democracy will be no higher than the level of popular understanding permits. Unfortunately, a low level of understanding is foredoomed in a society lacking a disciplined educational structure.

We seem unwilling to accept the discipline of genuine language study. Many future voters cannot tell the meaning of such words as grammar, logic, or rhetoric, much less use or appreciate the skills involved. The study of history has fared little better. Through modern "social studies," the sobering truth of history has been carefully concealed from our young. Man's achievements *and* his failures, the painful reality of the fate awaiting the self-indulgent society and the self-indulgent individual, have been carefully buried in reams of uninformed nonsense centering on "group dynamics" or misinformed propaganda slanting the student toward collectivism as a means of solving all our "social problems."

All too many of the subjects taught to America's young people reflect this headlong flight from any meaningful discipline of the mind. A society which thus educates its leaders may expect rough sledding ahead.

"Progressive Education" at Work

The lack of discipline noted in our educational institutions stems from both external and internal weaknesses. Many modern educators cannot control or properly direct their students, nor can they display the internal discipline of mind and heart to control their own intellectual and spiritual behavior. Small wonder that those teachers who are themselves undisciplined prove such poor examples to the young.

Genuine creative capacity involves more than the natural talent of a child. A properly disciplined atmosphere must surround the child to allow his creative capacities to come to light. Children cannot be creative in a vacuum, but a vacuum is exactly what we provide when our teachers are drawn from a philosophic system denying standards and discipline. One of the last century's great commentators on education, Matthew Arnold, once remarked:

> It is . . . sufficiently clear that the teacher to whom you give only a drudge's training, will do only a drudge's work, and will do it in a drudge's spirit: that in order to ensure good instruction even within narrow limits in a school, you must provide it with a master far superior to his scholars.[3]

[3] G. H. Bantock, *Freedom and Authority in Education*, p. 98.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

It should go without saying that a vast number of America's teachers are anything but drudges; many of them show great self-discipline and high standards, which they constantly reflect in the educational experience they are attempting to impart to our young people. Even so, we find far too many teachers of the other sort, lacking discipline and lacking standards. Moreover, even our best teachers are severely handicapped by an educational structure whose underlying philosophy minimizes proper discipline. Many proponents of progressive education insist that learning be set aside in favor of the unreflective and spontaneous desires and attitudes of the child. The child is to be encouraged to follow his own desires in what he studies. Intellectual effort is to be displaced by spontaneous "activity." Competition and a disciplined system of grading are to be shunned, since they imply superiority and inferiority. The child is assumed to be able to meet his own educational needs without external pressures. In a word, we are to achieve education without discipline.

A Line of Least Resistance

True education, of course, implies discipline. The discipline of competition, the discipline of standards, the discipline of responsible adults who have determined what is of real and enduring purpose, the discipline of concentration, these are among the essentials of true education. Anything less soon leads to what Irving Babbitt described as a typical result of the "new approach" to learning:

> Having provided such a rich and costly banquet of electives to satisfy the "infinite variety" of youths of eighteen, President Eliot must be somewhat disappointed to see how nearly all these youths insist on flocking into a few large courses; and especially disappointed that many of them should take advantage of the elective system not to work strenuously along the line of their special interests, but rather to lounge through their college course along the line of least resistance.[4]

The new motto in education all too often seems to be "jack of all ideas, master of none" apparently implying that, if our young people dabble in enough subjects, never mind whether they ever master any particular subject, "education" will somehow have taken place. Genuine enlargement of the mind presupposes sufficiently disciplined study to achieve a grasp of a subject. This must be coupled with the equally necessary discipline of viewing all subjects as por-

[4] Irving Babbitt, *Literature and the American College*, p. 35.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tions of a single reality expressive of human existence. An educational philosophy which never allows the student to master any particular subject and which denies the existence of universally applicable general principles is a system calculated to retard the mental growth of its pupils. We have become so concerned about providing "real life situations" in the classroom, so concerned about providing a cultural potpourri based on technological developments in radio, the movies, and television, that the young people educated in our system are no longer in touch with reality, very uncertain as to just who and why they are.

Undermining the Teacher

When no inviolable standards remain, it is natural that the teacher will no longer think of himself as being in authority. All discipline must go, since the teacher has no concepts to impart and is to function only as a leader, synchronizing the amorphous collective development of his participants. Thus, external discipline joins internal discipline in the discard. In such a system, one of the keys for genuine education is lost. The relationship between the master and the pupil, between the one who has achieved discipline and the one who has yet to achieve it, ceases to exist. Also lost is much of the traditional authority and prestige of the teacher.

The child-centered school may be attractive to the child, and no doubt is useful as a place in which the little ones may release their inhibitions and hence behave better at home. But educators cannot permit the students to dictate the course of study unless they are prepared to confess that they are nothing but chaperons, supervising an aimless, trial-and-error process which is chiefly valuable because it keeps young people from doing something worse. The free elective system as Mr. Eliot introduced it at Harvard and as Progressive Education adapted it to lower age levels amounted to a denial that there was content to education. Since there was no content to education, we might as well let students follow their own bent. They would at least be interested and pleased and would be as well educated as if they had pursued a prescribed course of study. This overlooks the fact that the aim of education is to connect man with man, to connect the present with the past, and to advance the thinking of the race. If this is the aim of education, it cannot be left to the sporadic, spontaneous interests of children or even of undergraduates.[5]

Social Effects of the "New Education"

Most civilized men have appreciated the fact that they must de-

[5] Robert M. Hutchins, *The Higher Learning in America*, pp. 70-71.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

cide certain things for their children, at least until the children attain sufficient capacity to decide for themselves. True freedom is the freedom of self-discipline, a freedom to choose within acceptable standards and values. Take away the values and standards, take away the discipline, and meaningful freedom is taken away as well.

In the education of our future leaders, we might well remember that men without moral discipline, men who deny any allegiance to standards higher than themselves, are likely to become leaders or to follow leaders who stand for nothing but brute force. As modern educationists struggle to "free" man from the old "limiting" standards, they justify their stance with constant reference to the democratic way of life. Any attempt to impose standards is thus labeled "undemocratic." It is worth remembering that democracy is a *political* concept and that all applications of that concept to other aspects of human life, education included, are the tacit admission that the architects of the new order intend that all values will ultimately be political values. In all of the endless talk about "growth" that fills our discussion of education, we steadfastly refuse to answer the one central question, growth for what purpose?

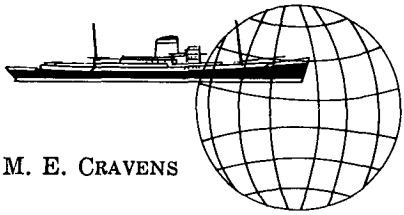
"Growth for what purpose?" We are told at various times that the goals include "self-expression," "life adjustment," "adaptation to daily living." The school seems to have become a center in which the individual is told that he will be subjected to no disciplinary standards, that he can be "himself."

How does the student realize himself? By adjusting to his peers and to the society around him. He must learn to "get along." He fulfills himself in his capacity to work with others . . . in and of himself he is nothing. If he has strivings or attitudes not in conformity with the world around him, he must "adjust." He, not society, is in the wrong. The individual, stripped of the standards of self-discipline which would allow him to be his unique self, is thus educated in the new value of conformity.

How can this conformity be described except as a mass of standardized mediocrity? How can such a society hope to generate the leadership necessary for its continued existence? The choice, finally, is between discipline and disaster. ◈

The next article of this series will discuss "The Perpetual Adolescent."

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



Pricing Ourselves OUT of World Markets?

M. E. CRAVENS

WHETHER OR NOT we're pricing ourselves out of world markets is a moot question. But there's no doubt that competition from foreign producers has intensified. We may hold an edge on quality, but foreign products often are cheaper. Auto manufacturers, for example, are re-evaluating their policies in an effort to meet competition. Like many other industries, they are building plants abroad and hiring foreign labor to produce for sale in other countries and also in the U.S. market. A number of U.S. industries are asking for increased tariff or quota protection against imports.

Foreign competition plagues agricultural as well as industrial producers. Currently, some 20 per cent of our agricultural exports are subsidized in some way. Some other countries also follow the practice; but it is ironic that the U.S. farmer, who is producing enough for himself and 40 other people, cannot compete with less productive farmers elsewhere. For instance, in cotton, the U.S. is now a net importer instead of an exporter; in tobacco, we have been losing ground rapidly in world markets since 1949.

Actually, the inability to compete in certain things is not necessarily a sign of lack of productivity in our economy. It happens all the time. For instance, in 1889 Ohio was the leading apple-producing state with 14 million bushels, and ranked fifth in the production of potatoes with 16 million bushels. Today, Ohio is eighth in apple production and sixteenth in potato production, with about 3 million bushels of each – less than enough for its own use.

Shifts of Production

So it is with specific agricultural and nonagricultural products in other states and areas in the U.S. and among countries of the world. Shifts in production, no matter where in the world, occur in response to certain factors. The advantages of specialization and

Dr. Cravens is Professor of Agricultural Economics at Ohio State University.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

voluntary trade are world wide.

As economies develop, as transportation systems improve, as demands change, the most profitable combination of resources in a given area may change. The land, labor, capital, and management are shifted to the use that will pay the highest return. This flexibility of adjustment to changing conditions is one of our major advantages. A market-oriented economy provides the mechanism to signal needed shifts.

Today, however, there is widespread belief that the government can and should do something to prevent these economic "laws" from working to the hardship of present businesses and employees. We are encouraged to reject the possibility that someone else can grow peanuts more efficiently than we can. Because peanuts was the most profitable crop for our grandfathers and our fathers, and they made a living growing peanuts, we should be secure in the right to do this too!

In the past 30 years we have about convinced ourselves that we can "eat our cake and have it, too." In other words, that we can have foreign aid and foreign trade without foreign competition. Recent trade and payments problems have brought us face to face with the fact that the rules still apply to us.

Why Are Costs Higher?

If prices and costs are rising in the United States relative to those of our foreign competition, how does this happen? Several reasons have been suggested. Labor leaders say profits are too high. Spokesmen for management say wages are too high, labor is unproductive, and taxes are too high. Some say that the rate of investment in new plants is too low. And each faction is likely to be so well satisfied with its own answer that it ignores the answer given by others.

In the world of business, it's not uncommon that a firm may find it is operating at a loss. There's no doubt that lack of profits in many domestic industries is a major problem. And the typical result is a reduction in operations and the laying off of laborers. The reason often given is that foreign competition has taken customers by offering products for lower prices.

On the other hand, the business firm that successfully sells much of its output abroad is likely to show profits higher than average for that industry. The fact that some business firms are losing money because of inability to compete in foreign markets, while others with above average profits can compete, suggests that high profits are not the basic cause of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the inability to meet foreign competition. Since business profits are what is left over after meeting business costs, high profits in themselves mean only that the business is efficiently operated and competing successfully. Low profits mean the opposite.

Wage Levels

Wages in the United States have been higher for many decades than those in most countries. High-wage industries are our major exporters. This was true even before the United States had widespread unionization or minimum wage laws. The parents and grandparents of millions of us migrated here in the late nineteenth and early twentieth centuries partly because of attractive wages plus the fact that work was available for all at going wage rates. Let us hope for still higher wages in the future, because this is a major indication of our level of productivity.

Regarding the productivity of labor, there appears to be no question that some so-called "featherbedding" and other labor inefficiency exists. This is a net drain on the real wages of the gainfully employed wage-earning worker, as well as on everyone else. The "featherbedding" worker receives wages, and has a claim on goods produced, yet produces little himself. However, a limited amount of featherbedding has existed for many years, and there is no evidence that it has increased enough in recent years to explain the increasing pressure of foreign competition.

Why are American workers more productive than most foreign workers? Why does one American farmer produce enough food for himself and 40 others while the Russian farmer produces enough for himself and only 5 others? Do American farmers work harder or longer or what? The higher output per man in the United States is due primarily to the use of more and better tools and equipment, the superior know-how and management ability of the American farmer, and his greater freedom to make decisions. Nonfarm workers also have more and better tools. Business management is more skilled and has more freedom to make decisions in the United States than in Russia and most other foreign countries.

This dependence of labor productivity on the availability of modern tools and equipment and the funds to finance them poses another problem. Any policy, government or private, that prevents or discourages the purchase of new and improved tools also reduces the efficiency of labor.

Taxes and tax policies are prob-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ably the greatest governmental hindrance to the financing of new and better tools although restrictions by licensing, franchising, and exchange control are also important. Taxes which bear most heavily on the growing and more efficient firms tend to penalize and discourage such efficiency. Inflation also creates special problems in retooling for firms that fail to allow for it.

In recent years taxes often have had a double-barreled effect. They not only have reduced the ability of individuals and business firms at home to finance new and improved equipment but also have been shunted as "foreign aid" to help the foreign competitor buy equipment. The result is that today the foreign competitor sometimes has a plant quite as modern as any in the United States, he pays lower wages, and he may pay a corporate tax rate lower than that of the U. S. business firm that helped finance him.

A major cause of inflation is the spending by the government in excess of its income and the resulting need for creating new money supplies. Inflation can stop only when voters quit expecting more services from the government than they are willing to pay for in taxes.

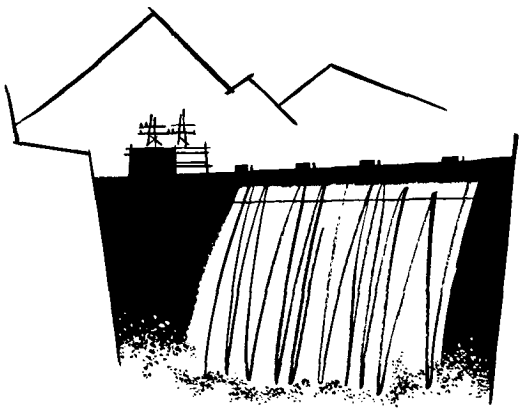
Our Competitors

Competition from foreign producers seems likely to increase. Our urge for protection and security leads to more and more intervention by government in the affairs of our farms and factories and family life. This intervention on behalf of the inefficient producer in agriculture and industry weakens our capacity to compete.

We are becoming increasingly prone to consider present prices or perhaps a bit higher than present prices, as the "just" or "fair" price. It follows that we consider the present producers as having a "right" to continue to produce. If either of these "rights" is challenged by a competitor, the inefficient producer is encouraged to look to the government for help instead of trying to find better ways to serve consumers.

Future pressures of foreign competition will depend in large measure on domestic policies concerning price supports, import quotas, tariffs, and other interventions; on other "welfare" measures of the government; and on the extent of inflation in the United States. High tariffs, high supports, market quotas, and other such practices may hide the problem for awhile, but will not solve it. ◈

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



JOHN W. CAMPBELL

IT HAS BEEN said that "technology we can't understand appears to be magic." Actually, this applies only to technology more advanced than our own – for frequently we see some great technological device and, by familiarity, fail to recognize it for what it is.

Perhaps the Grade A #1 prime example is one which is now generally considered the perfect symbol of *non*-technology – the epitomization of the failure to develop technology.

The peasant-farmer, plodding along behind his horse-drawn plow as he sweats to till his fields, does seem, to us, about as untechnical as you can get. Yet in that pastoral scene is a technical breakthrough that properly ranks slightly behind harnessing fire, and perhaps a bit ahead of the wheel. (After all, all the native American civilizations got along without the wheel!)

It might be described in modern terms as "a solid-state power-handling device for coupling a heavy duty power source to heavy tractive loads." Or, more simply, as the device that freed human slaves from service as draft animals.

One of the reasons the Romans and Greeks needed so many slaves was that there was no known way of harnessing animals to heavy

Mr. Campbell's editorial is reprinted here by permission from ANALOG Science Fiction-Science Fact. Copyright 1968 by the Condé Nast Publications, Inc.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

draft loads. Man, because of his bipedal posture and his hands, could have a harness slipped over his chest and shoulders, and by leaning into it, exert all his strength in pulling the load. It was literally true that a man could exert more pull than a 1,500-pound horse.

A horse's sloping chest, and lack of shoulders or grasping hands, made it impossible to tie him to a load except by putting a rope around his neck. Do that, and as soon as he pulls, he's choked by the rope at his throat; he can pull only lightly before his wind is cut off and he has to stop. True, some powerful horses can exert enough pull to move a relatively light chariot at a good speed that way—but as a coupling device it's exceedingly inefficient. The horse couldn't pull a plow, or a heavy dray.

Oxen, equipped by nature with some well-anchored horns, could do considerably better — but it was extremely tiring on even an ox's heavy neck muscles to hold his head down against the backward pull of the load.

Rapid, Heavy Transport

The horse collar, invented somewhere, sometime during the Middle Ages in Europe, was Man's first really successful device for harnessing powerful animal muscles to do the heavy hauling work that was needed. It made possible heavy transport — even on the horrible mud ruts they called roads. It vastly increased the amount of agricultural land that could be prepared and used during a single growing season; there was far more food available for men and motive power. Where before, horses and other animals had transported goods primarily as pack animals, transportation was expanded, quite suddenly, as greatly as it was a few centuries later with the invention of the steam-powered railroad.

Naturally, with the potential of heavy, relatively rapid transportation available, the sedan chair went out of use as the coach came in, and pack-trains were replaced by loaded wagons. Inevitably the demand for more roads wide enough — and good enough! — for horse-drawn vehicles came, and the entire economy began speeding up.

The contact with the highly sophisticated and educated society of Islam was undoubtedly a tremendous factor in the development of the renaissance in the seacoast regions of the Mediterranean, where water transport made transportation reasonably effective. But it was the horse collar that brought an economic renaissance to most of Europe.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

It's not at all easy to recognize technological importance – particularly when we're used to it. Certainly a horse collar seems a simple enough idea. . . .

Most moderns haven't actually seen and handled one, or studied one closely. Take a good look at the structure of a horse's chest and shoulders, and without studying a horse collar, try devising a form that will fit snugly onto those sloping curves and planes, allow the horse free movement of neck and forelegs, avoid concentrating the load on prominent bony areas, and so distribute it that the horse can exert his full strength without painful chafing. Then make it stay in place without aid of adhesive tapes, glue, or surgical implants!

The agricultural technicians of the Middle Ages who developed that gadget were not fools, even if they hadn't ever had a course in mechanical engineering, or force-analysis. And they did achieve something that the learned Greeks and the great Roman engineers did not; they harnessed the most effective power source in the world at the time.

And be it noted that that animal power source is still used as the basis for measuring our mechanical tractive engines – as Watt originally defined it in his sales-promotion literature for his new steam engines.

However, two horses can do a lot more plowing than a two-horsepower gasoline-engined tractor can; the gas job can't slow down in a tough spot, dig in its hooves, bellydown to the earth, and lunge with half a ton of hard-tensed muscle to drag the plow through.

Of course, the tractor is also not capable of self-repair, automatic routine maintenance, living off the fields it works, self-replication, or sense enough not to destroy itself by ramming itself over a cliff. In addition to operating on locally-available fuels, a horse is approximately twice as efficient as a tractor in conversion of chemical to mechanical energy.

Current Applications

The moral of this little story is not to be applied just to humans visiting alien planets; it applies very cruelly to situations right here on our own crazy, confused world. Backward nations – I will not be euphemistic and call them "underdeveloped" because they've had the same thousands of years to develop that Europe and America had, and simply didn't do so – do not recognize the importance of what could be called "the Horse Collar Revolution."

Those economically depressed nations want, most ardently, to join "the modern world" – i.e., to achieve the industrially-developed

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

status of the high-level technological nations.

Now there are two kinds of "status"; one is what your neighbors think you are, and the other is what you actually have and can do. The first type of status is, of course, far and away the most popular, and the most eagerly sought.

One type of individual, if he happens to inherit a few thousand dollars, or hit it lucky in gambling, promptly puts it into fancy new clothes, a down payment on a fancy new car, and a fancy new woman or two, and has himself a whee of a time being admired and respected because man, he's got all the symbols of Status!

So in three months the fancy car is repossessed, the fancy woman moves off, and the fancy clothes prove to have poor durability.

Another approach is to spend the little inheritance on getting a small business started – maybe a neighborhood grocery, or a newsstand. Doesn't get you much Status, of course, and not much spectacular fun . . . but put to work that way a few thousand can support you for life.

It's just that it is *not* as much fun, and a few thousand won't do it unless you get in and work just as hard yourself, and that makes the whole idea much less popular.

Status Symbols

The national equivalent now showing up among the backward nations is that foreign aid – winning the numbers game, in the international lottery! – is spent on fancy Status projects. Hydroelectric plants are Status Symbols, man! That means you've *got* it!

Even if you don't have many electric lights or power machines in grass huts and fields plowed by men and women pulling wooden stick plows through the earth.

Steel mills are great international Status Symbols, too. Of course, what would *really* make one of those nations have Status with all its neighbors would be to have something really technical and ultra-fancy, like a few nuclear bombs.

Trouble is, nobody, except a few experts, in a few major Western nations, have the wisdom to see that the horse collar is one of the greatest technical developments of human history.

The basic plot in Christopher Anvil's "Royal Road" stemmed from an actual disaster of WW II; it didn't have the comfortable ending Anvil's story did. The lesson, bitterly learned then, is being relearned most reluctantly by the backward countries today.

The Allies had a tremendous military need for roads and barracks and airfields in an area where

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

there simply were none. It was a remote area; shipping simply wasn't to be had for sending in earth-moving machinery, bulldozers, power shovels, and so on. So local natives were hired, at high pay, to do the work.

The men who set up that operation didn't know what a subsistence-level economy was; they found out that fall and winter. The men they'd hired to work at such fine wages were, of course, the native farmers – who therefore didn't farm that year.

In Anvil's story, the thing was planned, and the aftermath was part of the plan; in the real event it wasn't planned that way – it just happened. There was no shipping to bring in food that winter, just as there had been no shipping to bring in earth-moving machinery. It was a horribly grim demonstration of the oft-repeated remark of philosophers that "you can't eat gold." There was a lot of money around – but no crops.

Repeating the Error

What's happening again and again in backward countries today is of the same order. The magnificent new dams and hydroelectric plants employ thousands of workers at good wages – and hire them away from food-production in a near-subsistence economy. The result is inadequate food production, incipient famine, and a desperate plea for help to feed the starving millions. But they sure have a great Status dam!

Oh, they get irrigation water, too – only sometimes the results haven't been any better thought out than the economic disaster of famine was. Many areas of the world have fairly fertile land lying on top of extremely saline under-soil – practically salt beds. When rain falls, the fresh water seeps downward, and keeps washing the salt back down to the under-soil where it is harmless. But run in irrigation water – the salt from below dissolves, and evaporation from the surface soil pulls the now-saline water up, where it in turn evaporates, and thus rapidly builds up a salt crust on the surface.

It takes several years of non-irrigation, and no crops, for natural rainfall to wash the salt back down so the land can be used again.

But don't you forget – that big irrigation dam and project is an international Status Symbol of high value!

If a nation has a primitive subsistence-level economy, this simply means that its food-and-goods production has economic value just barely sufficient to keep the population from starvation. And that in crop-failure years, there will be

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

famine, and people will die of starvation.

In many, many such subsistence-level areas, if such famines occurred, there was literally nothing whatever anyone could do to help them. The thing happened repeatedly in India and in China; India, under the British, had railways and His Majesty's government did everything humanly possible to relieve the starvation. But the food needed to feed 300,000,000 starving people can't be gathered from the surrounding areas; they're subsistence-level economies, too. And the railroads weren't vast, heavy-traffic networks such as Europe and America had developed; they didn't have enough cars or engines. And shipping from half around the world took so long that even if the transport and grain were freely donated, it wouldn't get there in time to be very helpful.

In China, because of bad roads and no railroads at the time, there were huge areas where the *only* possible transport was by porters. (Mules can't climb ladders, and some of the routes required ladders to get up mountain "passes.") Since porters had to start in carrying their own food for the round trip, it was fairly easy to figure what distance of penetration was possible before the porter had consumed his total load in his own round-trip supply. No food whatever could be shipped into any more distant point. People in those inner areas simply starved to death because help was physically impossible.

Breaking the Habit

In subsistence-level economy areas today, what sort of help can the industrial nations give?

Well, first is the fact that Step #1 is to break down the cultural pattern of the people that holds them at the subsistence level. And at this step, naturally, the people will do all they can to destroy the vile invaders who are seeking to destroy their Way of Life, which is the Good, the True, and the Beautiful and Holy Way.

You can't do it by telling them that they *should* stop growing those inefficient crops, those crops that produce protein malnutrition, and learn how to raise these new and far more efficient nutritive crops.

There are problems involved that aren't economic or technical. The Israeli, for instance, have worked out techniques for growing watermelons, wheat, various fruits, and grains on sandy gravel irrigated with salt water. They can make the barren Negev Desert produce fine crops of excellent food – techniques that can be applied anywhere there are sand

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

dunes, gravel, and sea water, or salt-water springs. It would work fine in huge areas of the Sahara. No vast irrigation dams needed for this project!

Unfortunately, the Arabs don't seem enthusiastic about accepting and applying this Jewish technique.

Even if it were an Arab development, the peoples of the area are tradition-oriented; it would take at least a generation to put over the idea of doing precisely those things which they *know* are wrong. For every farmer knows that salt water kills plants, and you can't grow plants in sand and stony gravel.

The odd thing is that the salt-water irrigation can *not* be used in "good soil"; it works only in the worst kind of gravel-sand soil.

Resistance to Change

The proper development of the backward areas requires recognition that *the people don't want to change.* They want their results to change – they want to *have* the fine things other nations have, but not to *build them.*

To pull up from a subsistence-level economy, the first step is building better roads, and a more efficient agriculture. *Not* irrigation projects, *not* tractor manufacturing plants and hydroelectric projects and establishing an internationally known air line, complete with twenty or so Boeing 707 jets. Man, those are real Status Symbols!

What's needed is the Horse Collar Revolution and its results. Draft animals can live off the local fields; they don't require exchanging scarce goods for foreign fuel supplies and replacement parts.

The road network has to be built up slowly; too many farmers diverted to vast construction projects and you have famine.

You need schools – schools that teach agriculture and medicine and veterinary medicine and simple local-irrigation techniques and public hygiene and basic nutrition. *Not* electronics, industrial chemistry, and jet-engine maintenance – not for a generation will that be valid. The few natives who are really cut out for that sort of work can be taught in other nations, where schools of that order are needed, and already exist. But don't expect them to come home – there will be nothing for them to come home to for a generation.

But no High Status schools?

Sorry – getting out of a subsistence system can't be achieved on Status – it has to be achieved by *Status,* the hard-work-and-practical-learning kind of real accomplishment.

The ancient truth prevails: God

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

helps those who help themselves. Because even God can't help someone who won't help himself – that's what the ancient concept of Free Will implies!

Help Is Where You Find It

The more developed nations can help effectively only where the national leaders have the wisdom to work for *real* accomplishment, not for high Status projects.

And be it noted – that "more developed nations" does *not* mean the U.S., the U.S.S.R., and other Western nations alone, by any means. One example has been cited; Israel has a technique that could immensely aid many backward nations right now.

The Philippines have developed a spectacularly productive new breed of rice by careful botanical research; they've done a bang-up job of it, and have a strain that yields three to four times as much food from a given area. It's a breed that could release two out of three rice-farmers in a subsistence-level nation to work on those needed roads and dams and other projects, without bringing starvation to the country.

The water buffalo is an extremely economic animal; it's one beastie that the Western world needs to accept and use as a domestic animal – and is needed far more widely in the world. The water buffalo yields high-quality milk, high-quality meat, and is an enormously powerful draft animal capable of working under muddy conditions which ruin the feet of most creatures. Moreover, the critter can yield meat, milk, and power when fed on an incredible diet consisting solely of rice stubble! The Thais have carried on a careful program of breeding for some decades, and now have breeds of water buffalo that run over a ton in weight.

Rather surprisingly, about the only area outside of the Southeast Asia region where water buffaloes are used in any numbers is in Italy, where some 40,000 of them are kept. The familiar Mozzarella Italian cheese – in its original, genuine form – is made from water-buffalo milk.

Only when many thousands, or millions, of agricultural workers can leave the farms for work without producing the inevitable famine – only when the agricultural economy gets above the subsistence level – can any nation become "advanced." Argentina isn't an industrial power – but has a highly developed agricultural economy. All of the highly industrialized nations *first* became highly successful agricultural nations.

Yet we – and unfortunately the backward nations! – see the horse-drawn plow and the farmer as

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

symbols of low-status, nonindustrial economies.

The great trouble is that *people don't want to change*. It's not *just* the peoples in backward countries; the great economic advantages of the water buffalo have been around for centuries, yet only Italy among all the Western nations has accepted them. Why aren't they being raised in southern Louisiana, for instance, where there's plenty of land and climate of the type they particularly love?

In Africa, millions of children die of protein malnutrition because the natives raise traditional crops that do not provide the essential amino acids – and can't be induced to change their customs.

Indians in Central America suffered the same type of protein malnutrition; their one and only staple was corn – maize. And corn, like most grains, is deficient in lysine to an extent human beings can't live on it.

Anthropologists and nutritionists could get nowhere changing their dietary habits; finally, botanists succeeded in breeding a strain of corn that did contain adequate lysine, so the natives could go on doing as they'd always done – eating corn – and still get the food they needed to live.

That is not a solution to the problem.

Sure, it keeps the children alive – but it does not achieve the crucially important necessity. Those people will remain forever backward people unless *they* change.

A change in government does no good, for a government cannot remain in power if the people actively hate it. And so long as people insist on not changing their Good, Beautiful, Familiar, and Holy Traditional Way of Life – even if it's killing them! – the social system will not change. And they'll kill anyone, any government, that seeks to change them, if they possibly can. Only a powerfully entrenched and ruthlessly determined dictatorship can impose on them the basic changes they, the people, must make.

If, that is, you insist the change must be made in this generation.

Otherwise, you'll have to have patience, and wait while slow, steady, continuing pressures alter the Established Way of Things decade by decade.

Agriculture First

And the greatest, fastest progress will be made in the backward nations which gain least Technological Industrial Status Projects – and develop their agriculture most.

In a rice-eating nation, if one third of the rice-growers, raising high-production strains, using new and more efficient techniques, can

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

sell twice as much rice for only seventy-five per cent of the cost – the rice farmer who would not change his traditional ways will be forced out of agriculture. His poor harvest won't be wanted. He'll lose his land, his home, all the things he has lived by and with.

Here, the ruthless dictator who forces him to change his way of life is not human – it's economic. It's even more ruthless and relentless. But it, too, has the same compelling message: "You *must* learn a new way of life – or die!"

At the same time, of course, the fine surplus of cheap rice means that industrial workers, road and dam builders, all sorts of people in all sorts of newly developing occupations, are living much better. The old near-starvation level of rice is gone – there's plenty to eat, at last.

Look, friends – industry didn't produce a high standard of living. A high standard of agriculture forced people to learn a new high standard of living and industry.

And that's the only way it will be – unless a completely ruthless, dedicated tyrant oppresses his helpless people into learning the new way of life *fast*. ◈

IDEAS ON LIBERTY

Beneficiaries of Capitalism

THE STANDARD OF LIVING is high in the United States because of capitalism, but not all of our people are capitalists. The wages of a truck driver in our country are much higher than the wages of a coolie with a wheel-barrow in China, mainly because of the truck which the American drives. The truck is the result of capitalism, but the driver benefits as much as anyone else from the truck. Not everyone in our country owns stock in companies that make farm machinery, but every one of us profits by the fact that wheat is sown, reaped, transported, and milled into flour by equipment produced by capitalism. How much bread would we have and what would it cost if it were not for these products of capitalism? The farm machinery industry has created a number of millionaires, but the return to all of them combined is only a drop in the bucket compared to the benefit conferred upon the consumers of our farm products.

HOWARD E. KERSHNER, *Christian Freedom Foundation*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Webster's 1828 Original

AT FIRST BLUSH it strikes one as rather strange that the Foundation for American Christian Education should have chosen to publish a facsimile edition of Noah Webster's original *An American Dictionary of the English Language*. After all, so one says to oneself, the definition of words might take one anywhere, to God, Buddha, or the devil himself. What has a dictionary of 70,000 words, most of them neutral so far as any religion is concerned, to do with Christian education?

One's skepticism, strong at the outset, does not survive a careful reading of the remarkable introductory essay which Rosalie J. Slater has provided to go with this beautiful reproduction of the text which left Noah Webster's loving hands in 1828. The theory behind Webster's "American Dictionary" was republican theory, for Noah Webster, a good citizen of Federalist Connecticut, was very much aware that the Founding Fathers had given a rather special New World twist to a whole political vocabulary. The word "congress," in Britain, might be defined as "a meeting of individuals," but in America it also stood for "the assembly of senators and representatives of the several states of North America, according to the present constitution or political compact, by which they are united in a federal republic; the legislature of the United States, consisting of two houses, a senate and a house of representatives." This was something that represented a change from Dr. Johnson's dictionary. In all, Noah Webster added 12,000 new words to the 70,000 of the latest Johnson edition.

A good Calvinist in his later life, Noah Webster preferred Congregational Yale in his home town of New Haven to "unitarian" Harvard. Rosalie Slater tells us

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that he considered that words like "govern," "government," "constitution," "fast-day," "republic," "democracy," and others "reflect the uniqueness of America's Christian founding and God's purpose for her." In other words, the language of politics in America could only be understood by people with a knowledge of the whole Christian heritage. The very separation of the powers in America derived from the Biblical injunction to render unto Caesar the things that are Caesar's, and to God the things that are God's. And the Western theory of inalienable rights, brought to linguistic perfection in the various writings of the Founders, came from Biblical sources.

Webster's Qualifications, Master of Many Languages

As Emerson said, an institution is always the lengthened shadow of a man. Webster studied — and apparently mastered — twenty languages in order to give exact meaning to "the primary sense of every word." He wanted to track his meanings to their verbal headwaters, thereby freeing himself as a lexicographer "from dependence on synonyms as substitutes for exact meaning." (These quotations are from Rosalie Slater's essay.) But life, as Noah Webster lived it in New Haven, Connecticut, and (for an interlude) in Amherst, Massachusetts, before the Jacksonian Revolution, contributed as much to the dictionary as any study of Hebrew, Gaelic, or the combination of French and Gothic that the Normans superimposed on the Anglo-Saxon tongue of eleventh century Britain. Noah Webster's republic was founded on a theory of man as a property holder, but the Founders believed in earned property, not in estates kept unnaturally large through a legal theory of entail which prevented younger sons from becoming owners.

As Rosalie Slater puts it, "The Christian concept of individual liberty and property established under the United States Constitution had produced, for the first time in human history, unlimited opportunity for every man and woman. An explosion of interest and exploration in every field occurred and invention and the arts flourished. Every man needed to know everything and thus a literary, Johnsonian type of dictionary was not sufficient for an American. New terms in science, industry, and commerce were multiplying daily and these were significant in a country where men were independent and *'masters of their own persons and Lords of their own soil.'"* (The italics are Rosalie Slater's.)

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

It could be that the italicized quotation has special reference to Noah Webster as an entrepreneurial character and as a part-time farmer. Webster said, "Let the people have property and they will have power." He built his own modest competence on his three-part *A Grammatical Institute of the English Language,* which included his 1783 *American Spelling Book* (the famous "blue-backed speller"), his 1783 *Grammar,* and his 1785 *Reader.* As the dates of publication show, these preceded the Constitutional Convention.

Webster went up and down the colonies – or the states – to sell his own books. Over a hundred-year period, one hundred million copies of the Speller "were worn out by Americans as they learned their letters, their morality, and their patriotism" from Webster's subtle combination of words and philosophical substance. The Speller, says Rosalie Slater, "was compatible with the hearthside of a log cabin in the wilderness, it travelled on the flatboats of the Ohio, churned down the Mississippi and creaked across the prairies of the far west as pioneer mothers taught their children from covered wagons. Wherever an individual wished to challenge his own ignorance or quench his thirst for knowledge, there, along with the Holy Bible and Shakespeare, were Noah Webster's slim and inexpensive Spellers, Grammars, Readers, and his *Elements of Useful Knowledge* containing the history and geography of the United States."

Literary Property Rights

To protect his literary property, Webster fought for copyright legislation at both state and national levels. It was his Speller that paid the family bills during the lean years when he was learning twenty languages and compiling his dictionary. To balance his sedentary hours at the desk, he enjoyed an active life as a small farmer. During his years in Amherst (he moved there in order to conserve his money), he made the cultivation of his own land "a delight and a resource," employing "the ten acres of meadowland surrounding the house agriculturally." Rosalie Slater gives us an unforgettable picture of the lexicographer setting out an orchard. He "grafted the finest kinds of apples and pears he could find, growing peaches and cherries from the stones. His large, sweet white grapes, raised from a fine native vine taken out of his father's farm in West Hartford, were known as 'the Webster vine.' His flowers and the vegetable garden also flourished and prospered and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

he could say reverently, 'for some years past I have rarely cast my eyes to heaven or plucked the fruit of my garden without feeling emotions of gratitude and adoration.'"

When he was not working on the dictionary or cultivating his acres, Noah Webster took an active part in public life. He was one of the founders of Amherst Academy, which became Amherst College. For a time he served as President of the Amherst Board of Trustees.

He was a whole man, and it is good to have his example set before us in an age when whole men are considered rather square. Would that our hippies could get to know him. ◈

Copies of the 1828 *Webster's Dictionary* may be ordered directly from the Foundation for American Christian Education, 2946 Twenty-fifth Avenue, San Francisco, California 94132. $15.00.

OTHER BOOKS

▸ THE BIRTH OF THE NATION by Arthur M. Schlesinger (New York: Alfred A. Knopf, 1968), 250 pp., $7.95.

Reviewed by Robert M. Thornton

IT IS sometimes forgotten that our history as a nation began long before the momentous events at Philadelphia. The signing of the Declaration of Independence was the moment of birth following 167 years of gestation as English colonies.

What were the colonists like on the eve of separation from Great Britain? What sort of civilization was to be found on the eastern seaboard of America? The late Professor Schlesinger, a pioneer in writing social history, gives us a cultural portrait of the American people instead of another political account. His effort is exhaustive in scope if not in detail. Each chapter treats a particular phase of colonial culture – the family, the church, towns, education, science, the arts – demonstrating that American colonists were not country bumpkins or barbarians but a highly civilized people. They lagged behind Europe in some matters but excelled

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the Mother Country in others – in literacy, for instance. They were serious readers, as evidenced by the fact that a Philadelphia publisher brought out 1,000 sets of Blackstone's *Commentaries* himself after selling 1,000 imported copies, a fact remarked on, I believe, by Edmund Burke in his speech about the political sophistication of the American colonists.

Burke's term, "salutary neglect," best describes Britain's relation to the colonies until after the French and Indian War. Britain then introduced a series of regulations and in a dozen years came the separation that few if any wanted or predicted. The colonists were proud to be Englishmen but prouder still to be free men.

The colonists, Professor Schlesinger points out, were not radicals. First, they sought to prevent a usurpation of their ancient liberties and, second, even after provocations, did not interpret *political* separation from Great Britain as a wiping the slate clean of their English heritage. This book should make clear the differences between the American struggle for independence and the revolutions that have taken place since that time.

Prior to 1776 the colonists had built up a remarkable civilization, especially considering all the obstacles they had to overcome. They were eminently capable of governing themselves and had done so through the years with astounding success. Regarding themselves as responsible and mature, they resented the Mother Country's use of the rod to dominate their affairs, especially as colonial institutions had produced leaders who outclassed the Britishers. Europeans were highly impressed by the stature of the men who sat in the Continental Congresses – George Washington, John Adams, Thomas Jefferson, and Benjamin Franklin, just to name the giants of that glorious age.

In this day of "instant nations," we need to re-examine the American people on the eve of independence; hopefully we might then understand the institutions which produced such an abundance of great men. ◈

▸ THE AMERICA WE LOST (The Concerns of a Conservative) by Mario Pei (New York & Cleveland: The World Publishing Company, 1968). 177 pp., $4.95.

Reviewed by Robert M. Thornton

THE AUTHOR, Professor of Romance Philosophy at Columbia University, offers no systematic defense of conservative values; here instead is a collection of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

short pieces containing his reflections on what is wrong with America. Several have been published before in *Reader's Digest, Saturday Evening Post, Modern Age,* and other magazines. It is gratifying to come across a scholar who, though not a professional economist or political scientist, can write with so much good sense on these subjects.

Many "liberals" would declare the only thing wrong with our country is that it has not changed enough. Professor Pei disagrees and makes the observation that instead of limiting change to the reforms necessary to ensure justice for all we have for years been casting aside what made this nation great – throwing out the baby with the bath water, as the German saying has it.

What is the matter with the United States? The answer, in a word, is Statism. A nation founded on the principle of personal freedom under limited government has embraced collectivist ideas opposed to individual liberty and glorifying the State. This is manifested in progressive income taxes, compulsory social security taxes, inflationary fiscal policies, bureaucratic controls and regulations, and astronomical Federal spending.

Of course, totalitarianism is not simply a political or economic problem; it signifies, basically an ethical and moral decline. We are, for instance, very happy to shrug off personal responsibility; and no longer held responsible, we find life dull and meaningless. Then the cry goes up for constant handouts and entertainment instead of for opportunity and challenge.

Although imperfect, as all nations of men must of necessity be, this country was once the most respected and admired in the world. But as we embrace alien ideologies, we succumb to the demands of our critics to do penance for our prosperity, as if our prosperity were at the expense of other countries instead of being the consequence of values held by the men who founded this nation and shaped its institutions.

So, concludes Professor Pei, having made the wrong turn several decades ago, we should return to the fork in the road – and take the Right turn. ◈

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

THE BEST OF BASTIAT

— NOW IN PAPERBACK

FREDERIC BASTIAT (1801-1850), brilliant French statesman, economist, journalist, was practically unknown in America until a century after his passing, when FEE introduced a translation in modern American idiom of his little gem, **The Law** (75 pages; $1.00 paper, $1.75 cloth). The sale of this book now approximates 500,000 volumes, a "best seller" by anyone's measure.

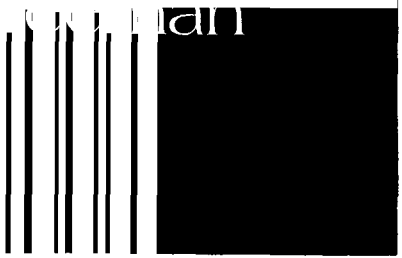
But the wit, insight, and clarity of Bastiat also appear in other great works, now available. "That Which Is Seen and That Which Is Not Seen," "The Candlemakers' Petition," and "The Broken Window Fallacy" are among countless enlightenments to be found in these volumes which FEE now offers at bargain prices.

The translations are excellent; the books are beautifully bound in sturdy paperback, and fully indexed.

ECONOMIC HARMONIES *Introduction by Dean Russell*	**636 pages**	**$3.50**
ECONOMIC SOPHISMS *Introduction by Henry Hazlitt*	**309 pages**	**$2.00**
SELECTED ESSAYS ON POLITICAL ECONOMY *Introduction by F. A. Hayek*	**366 pages**	**$2.00**

Order from: THE FOUNDATION FOR ECONOMIC EDUCATION, INC.
IRVINGTON-ON-HUDSON, NEW YORK 10533

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED



Place 8-cent postage here

FROM

TO: _____

STREET _____

CITY _____

STATE _____ ZIP CODE

FEBRUARY 1969

From Spencer's 1884 to Orwell's 1984	Henry Hazlitt	67
Our Saving Grace	Paul L. Poirot	76
The Rise and Fall of England: 12. The Fabian Program	Clarence B. Carson	81
The Squeeze on the Middle Class	William Henry Chamberlin	91
Consider Your Stand	Gottfried Dietze	96
Education in America: 5. Discipline or Disaster?	George Charles Roche III	101
Pricing Ourselves Out of World Markets?	M. E. Cravens	109
Technological Status	John W. Campbell	113
Books:		
Webster's 1828 Original	John Chamberlain	123
Other Books		126

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED